

112TH CONGRESS
1ST SESSION

S. 1294

To promote the oil independence of the United States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 29, 2011

Mr. MERKLEY (for himself, Mr. CARPER, Mr. UDALL of New Mexico, and Mr. BENNET) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To promote the oil independence of the United States, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
5 “Oil Independence for a Stronger America Act of 2011”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.

TITLE I—NATIONAL ENERGY SECURITY PROGRAM

- Sec. 101. National energy security program.
- Sec. 102. National Energy Security Council.

TITLE II—VEHICLE FUEL ECONOMY

Sec. 201. Vehicle fuel economy.

TITLE III—ELECTRIC VEHICLE DEPLOYMENT

Sec. 301. Findings.

Sec. 302. Definitions.

Subtitle A—National Plug-In Electric Drive Vehicle Deployment Program

Sec. 311. National Plug-In Electric Drive Vehicle Deployment Program.

Sec. 312. National assessment and plan.

Sec. 313. Technical assistance.

Sec. 314. Workforce training.

Sec. 315. Federal fleets.

Sec. 316. Targeted Plug-In Electric Drive Vehicle Deployment Communities Program.

Sec. 317. Plug-in electric drive vehicle private fleet upgrade program.

Subtitle B—Research and Development

Sec. 321. Research and development program.

Sec. 322. Advanced batteries for tomorrow prize.

Sec. 323. Study on the supply of raw materials.

Sec. 324. Study on the collection and preservation of data collected from plug-in electric drive vehicles.

Subtitle C—Miscellaneous

Sec. 331. Utility planning for plug-in electric drive vehicles.

Sec. 332. Loan guarantees.

Sec. 333. Prohibition on disposing of advanced batteries in landfills.

Sec. 334. Plug-In Electric Drive Vehicle Technical Advisory Committee.

Sec. 335. Plug-In Electric Drive Vehicle Interagency Task Force.

TITLE IV—TRANSPORTATION INFRASTRUCTURE

Subtitle A—Transportation Options for Families and Businesses

Sec. 401. Oil savings and greenhouse gas emission reductions through transportation efficiency.

Sec. 402. Investing in transportation greenhouse gas emission reduction programs.

Sec. 403. Commuter benefits equity.

Subtitle B—Freight Transportation

Sec. 411. Freight transportation goal and plan.

Sec. 412. Freight rail congestion grants.

Sec. 413. Rail electrification study.

TITLE V—ALTERNATIVE TRANSPORTATION FUELS

Subtitle A—Advanced Biofuels

Sec. 501. Allowance of investment tax credit for advanced biofuel facilities.

Sec. 502. Grants for advanced biofuel facility property.

Sec. 503. Inclusion of algae-based biofuel in definition of cellulosic biofuel.

- Sec. 504. Extension of cellulosic biofuel producer credit.
 Sec. 505. Extension of special allowance for cellulosic biofuel plant property.
 Sec. 506. Extension of incentives for biodiesel and renewable diesel.
 Sec. 507. Extension of alcohol fuels tax credits.

Subtitle B—Powering Vehicles With Natural Gas

- Sec. 511. Credit for qualified natural gas motor vehicles.
 Sec. 512. Natural gas vehicle bonds.
 Sec. 513. Incentives for manufacturing facilities producing vehicles fueled by compressed or liquified natural gas.
 Sec. 514. Study of increasing natural gas and liquefied petroleum gas vehicles in Federal fleet.

TITLE VI—HEATING OIL AND PROPANE CONSERVATION

- Sec. 601. Energy efficiency improvements for heating oil, propane, and kerosene use in homes and commercial buildings.
 Sec. 602. Renewable biomass thermal energy for commercial buildings.

TITLE VII—AUTHORIZATION OF APPROPRIATIONS

- Sec. 701. Authorization of appropriations.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) ADMINISTRATOR.—The term “Adminis-
 4 trator” means the Administrator of the Environ-
 5 mental Protection Agency.

6 (2) COUNCIL.—The term “Council” means the
 7 National Energy Security Council established by sec-
 8 tion 102.

9 (3) NATIONAL ENERGY SECURITY PROGRAM.—
 10 The term “national energy security program” means
 11 the national energy security program established by
 12 section 101.

13 (4) NATIONAL OIL INDEPENDENCE GOAL.—The
 14 term “national oil independence goal” means the na-

1 tional oil independence goal established under sec-
2 tion 101(c).

3 (5) NATIONAL OIL INDEPENDENCE PLAN.—The
4 term “national oil independence plan” means the na-
5 tional oil independence plan established under sec-
6 tion 101(d).

7 **TITLE I—NATIONAL ENERGY** 8 **SECURITY PROGRAM**

9 **SEC. 101. NATIONAL ENERGY SECURITY PROGRAM.**

10 (a) ESTABLISHMENT.—There is established in the
11 Executive Office of the President the national energy secu-
12 rity program.

13 (b) MISSION.—The mission of the national energy se-
14 curity program shall be to coordinate the activities and
15 policies of the Federal Government to ensure, to the max-
16 imum extent practicable, that the United States meets—

17 (1) goals for reducing oil dependence, oil im-
18 ports, and oil consumption; and

19 (2) other energy policy goals, including goals
20 for—

21 (A) enhancing the competitiveness of the
22 United States in clean energy technology;

23 (B) strengthening clean energy technology
24 manufacturing in the United States;

1 (C) reducing greenhouse gas emissions;
2 and

3 (D) reducing hazardous pollutants.

4 (c) NATIONAL OIL INDEPENDENCE GOAL.—

5 (1) IN GENERAL.—Subject to paragraph (2), it
6 is the goal of the United States to reduce oil con-
7 sumption by the quantity that is equal to or greater
8 than the quantity of oil imported by the United
9 States from outside of North America by calendar
10 year 2030 (as compared to the rate of oil consump-
11 tion projected for calendar year 2030 as of the date
12 of enactment of this Act).

13 (2) ADJUSTMENTS.—The President, in con-
14 sultation with the Council—

15 (A) may adjust the numeric goal for cal-
16 endar year 2030 established under paragraph
17 (1);

18 (B) shall ensure that any new goal estab-
19 lished under subparagraph (A) represents the
20 maximum practicable oil savings achievable,
21 taking into account other benefits of reducing
22 oil consumption (including economic, security,
23 and environmental benefits) and costs or other
24 economic effects; and

1 (C) if any new goal established under sub-
2 paragraph (A) is lower than the goal estab-
3 lished under paragraph (1), shall establish an
4 additional goal for reducing oil consumption in
5 the United States by a quantity that is equal to
6 or greater than the quantity of oil imported by
7 the United States from outside of North Amer-
8 ica on the fastest timeline practicable, taking
9 into account other benefits of reducing oil con-
10 sumption (including economic, security, and en-
11 vironmental benefits) and costs or other eco-
12 nomic effects.

13 (d) NATIONAL OIL INDEPENDENCE PLAN.—

14 (1) IN GENERAL.—The President, in coordina-
15 tion with the Council and the Director of the Office
16 of Management and Budget, shall—

17 (A) develop a national oil independence
18 plan that describes programs and activities that
19 will be implemented to meet or exceed the na-
20 tional oil independence goal and other goals es-
21 tablished pursuant to subsection (c);

22 (B) submit the national oil independence
23 plan to Congress not later than 180 days after
24 the date of enactment of this Act; and

1 (C) submit an updated national oil inde-
2 pendence plan to Congress every 2 years there-
3 after.

4 (2) REVIEW OF FEDERAL POLICIES, PROGRAMS,
5 AND AUTHORITIES.—Not later than 120 days after
6 the date of enactment of this Act, the President, in
7 coordination with the Council and the Director of
8 the Office of Management and Budget, shall review
9 existing programs and authorities of the Federal
10 Government and other applicable policies (including
11 tax policies) to determine—

12 (A)(i) which programs, authorities, or poli-
13 cies could be used to accelerate reductions in oil
14 dependence; and

15 (ii) any means by which the programs, au-
16 thorities, or policies—

17 (I) could be used to maximize reduc-
18 tions in oil dependence; or

19 (II) would require modification in
20 order to be used to maximize reductions in
21 oil dependence; and

22 (B)(i) which programs, authorities, or poli-
23 cies have the effect of increasing oil consump-
24 tion and oil dependence or otherwise create bar-

1 riers to reducing oil consumption and oil de-
2 pendence; and

3 (ii) the manner by which the programs, au-
4 thorities, or policies—

5 (I) have the effect of encouraging oil
6 consumption or oil dependence or otherwise
7 create barriers to reducing oil consumption
8 and oil dependence; and

9 (II) could be modified or eliminated to
10 help meet the goal of reducing oil con-
11 sumption and oil dependence.

12 (3) CONTENTS.—At a minimum, the national
13 oil independence plan shall—

14 (A) describe the results and conclusions of
15 the review conducted under paragraph (2);

16 (B) as appropriate, include—

17 (i) the use of programs, authorities,
18 or policies described in paragraph (2)(A);
19 and

20 (ii) if existing authority allows, pro-
21 posals to modify or eliminate programs,
22 authorities, or policies described in para-
23 graph (2)(B);

24 (C) include recommendations to Congress
25 for legislation that would further—

1 (i) promote reductions in oil consump-
2 tion and oil dependence;

3 (ii) reduce barriers to reducing oil
4 consumption and oil dependence; and

5 (iii) help meet the energy policy goals
6 of the United States;

7 (D) include a timetable for achieving the
8 national oil independence goal, including in-
9 terim targets on not less than a biennial basis;

10 (E) a plan for coordinating actions across
11 the Federal Government to ensure, to the max-
12 imum extent practicable, that the national oil
13 independence goal is met; and

14 (F) a timeline for issuing rules, Executive
15 orders, or other policy instruments that will im-
16 plement the recommendations contained the na-
17 tional oil independence plan.

18 (e) ANNUAL REQUESTS TO CONGRESS.—When sub-
19 mitting annual budget requests to Congress, the President
20 shall include—

21 (1)(A) requests for sufficient funding for such
22 programs the President considers appropriate to im-
23 plement the national oil independence plan; and

24 (B) if the amount of funding is not sufficient
25 to meet the national oil independence goal, a de-

1 description of the amount of funding that would be
2 necessary to meet the goal;

3 (2)(A) requests for such additional authorities
4 or changes to existing laws or authorities as the
5 President considers appropriate in order to imple-
6 ment the national oil independence plan; and

7 (B) if the amount of funding is not sufficient
8 to meet the national oil independence goal, a de-
9 scription of such additional authority or changes to
10 existing laws or authorities as would be necessary to
11 meet the goal; and

12 (3) a report on the oil consumption and imports
13 of the United States relative to the national oil inde-
14 pendence goal and the interim targets and timelines
15 established in the national oil independence plan.

16 **SEC. 102. NATIONAL ENERGY SECURITY COUNCIL.**

17 (a) ESTABLISHMENT.—There is established in the
18 Executive Office of the President a National Energy Secu-
19 rity Council.

20 (b) MISSION.—The mission of the Council shall be
21 to assist and advise the President in—

22 (1) establishing the national oil independence
23 goal in numeric terms of barrels per day of oil con-
24 sumption, based on the most recent consumption es-
25 timates by the Energy Information Administration;

1 (2) meeting the national oil independence goal;

2 (3) developing the national oil independence
3 plan and the requests described in section 3(e);

4 (4) coordinating the policies, programs, and ac-
5 tivities of the national energy security program in
6 order to implement the national oil independence
7 plan and meet the national oil independence goal;
8 and

9 (5) ensuring that policy decisions and programs
10 are consistent with the energy policy goals of the
11 United States.

12 (c) MEMBERSHIP.—The membership of the Council
13 shall consist of—

14 (1) the Secretary of Energy;

15 (2) the Assistant to the President for National
16 Security Affairs;

17 (3) the Secretary of Transportation;

18 (4) the Administrator;

19 (5) the Secretary of the Treasury;

20 (6) the Director of the National Economic
21 Council;

22 (7) the Secretary of Agriculture;

23 (8) the Chair of the Council on Environmental
24 Quality;

25 (9) the Secretary of State; and

1 (10) the Director of the Office of Science and
2 Technology Policy.

3 (d) CHAIR.—The President shall act as Chair of the
4 Council.

5 **TITLE II—VEHICLE FUEL** 6 **ECONOMY**

7 **SEC. 201. VEHICLE FUEL ECONOMY.**

8 (a) AUTOMOBILES.—The Secretary of Transpor-
9 tation, pursuant to the authority provided under chapter
10 329 of title 49, United States Code, and the Administrator
11 of the Environmental Protection Agency, using the au-
12 thority provided under the Clean Air Act (42 U.S.C. 7401
13 et seq.), shall promulgate joint regulations establishing
14 fuel efficiency standards and greenhouse gas emissions
15 limitations for each class of automobiles subject to regula-
16 tions under that chapter and manufactured for each of
17 model years 2017 through 2030 to maximize reductions
18 in oil consumption and greenhouse gas emissions con-
19 sistent with the criteria under those authorities.

20 (b) FUEL ECONOMY AND GREENHOUSE GAS EMIS-
21 SIONS FOR NONROAD VEHICLES.—

22 (1) IN GENERAL.—Not later than 2 years after
23 the date of enactment of this Act, the Secretary of
24 Transportation and the Administrator of the Envi-
25 ronmental Protection Agency shall promulgate joint

1 regulations establishing fuel efficiency standards and
2 greenhouse gas emissions limitations for nonroad ve-
3 hicles to maximize reductions in oil consumption and
4 greenhouse gas emissions.

5 (2) NONROAD VEHICLES.—The nonroad vehi-
6 cles described in paragraph (1) shall include—

7 (A) passenger and freight rail engines;

8 (B) boat and other marine engines; and

9 (C) off-highway construction vehicles.

10 (3) EFFECTIVE DATE.—The standards and lim-
11 itations established under paragraph (1) shall take
12 effect not earlier than 2 years after the date on
13 which the applicable regulations are promulgated.

14 (4) REVISIONS AND UPDATES TO STAND-
15 ARDS.—The Secretary of Transportation and the
16 Administrator shall establish a timeline for updating
17 the standards and limitations established under
18 paragraph (1) to maximize reductions in oil con-
19 sumption and greenhouse gas emissions.

20 **TITLE III—ELECTRIC VEHICLE** 21 **DEPLOYMENT**

22 **SEC. 301. FINDINGS.**

23 Congress find that—

1 (1) the United States is the largest consumer of
2 petroleum in the world, consuming 19,500,000 bar-
3 rels per day of petroleum products during 2008;

4 (2) high and volatile international oil prices rep-
5 resent a significant and ongoing threat to the eco-
6 nomic and national security of the United States;

7 (3) many of the nations on which the United
8 States relies for petroleum supplies or that signifi-
9 cantly affect the world petroleum market share nei-
10 ther the national interest nor the values of the
11 United States;

12 (4) the United States imports more than 50
13 percent of the petroleum needs of the country each
14 day;

15 (5) in 2008, the net deficit of the United States
16 in petroleum trade amounted to more than
17 \$380,000,000,000, or nearly 60 percent of the total
18 trade deficit;

19 (6) the transportation sector of the United
20 States accounts for over $\frac{2}{3}$ of total national petro-
21 leum consumption and is 94 percent reliant on pe-
22 troleum;

23 (7) the electrification of the transportation sec-
24 tor represents a direct pathway to significant reduc-
25 tion in petroleum dependence, because passenger

1 cars and light trucks account for more than 60 per-
2 cent of the transportation petroleum demand and
3 more than 40 percent of total petroleum demand in
4 the United States;

5 (8) the electrification of the transportation sec-
6 tor promotes national energy security because the
7 electric power sector uses a diverse range of domes-
8 tic electricity generation sources;

9 (9) plug-in electric drive vehicles, when running
10 on electric power, produce no tailpipe emissions;

11 (10) the deployment of 700,000 plug-in electric
12 drive vehicles would result in a petroleum savings of
13 approximately 10,000,000 barrels per year compared
14 to the annual petroleum consumption as of the date
15 of enactment of this Act;

16 (11) in 2030, the United States could feasibly
17 deploy more than 100,000,000 plug-in electric drive
18 vehicles, which would result in a petroleum savings
19 of more than 1,000,000,000 barrels of petroleum per
20 year and greenhouse gas reductions of over
21 300,000,000 tons of carbon dioxide compared to the
22 annual petroleum consumption and greenhouse gas
23 emissions as of the date of enactment of this Act;
24 and

1 (12) a targeted deployment program for plug-in
2 electric drive vehicles that is focused on competi-
3 tively selected deployment communities—

4 (A) is a critical component of a com-
5 prehensive effort to speed plug-in electric drive
6 vehicle penetration rates;

7 (B) will contribute to the larger national
8 effort to deploy plug-in electric drive vehicles;

9 (C) will inform best practices for the wide-
10 scale deployment of plug-in electric drive vehi-
11 cles; and

12 (D) will substantially reduce the oil con-
13 sumption of the United States.

14 **SEC. 302. DEFINITIONS.**

15 (a) IN GENERAL.—In this title:

16 (1) AGENCY.—The term “agency” has the
17 meaning given the term “Executive agency” in sec-
18 tion 105 of title 5, United States Code.

19 (2) CHARGING INFRASTRUCTURE.—The term
20 “charging infrastructure” means any property (not
21 including a building) if the property is used for the
22 recharging of plug-in electric drive vehicles, includ-
23 ing electrical panel upgrades, wiring, conduit,
24 trenching, pedestals, and related equipment.

1 (3) COMMITTEE.—The term “Committee”
2 means the Plug-in Electric Drive Vehicle Technical
3 Advisory Committee established by section 334.

4 (4) DEPLOYMENT COMMUNITY.—The term “de-
5 ployment community” means a community selected
6 by the Secretary to be part of the targeted plug-in
7 electric drive vehicles deployment communities pro-
8 gram under section 316.

9 (5) ELECTRIC UTILITY.—The term “electric
10 utility” has the meaning given the term in section
11 3 of the Public Utility Regulatory Policies Act of
12 1978 (16 U.S.C. 2602).

13 (6) FEDERAL-AID SYSTEM OF HIGHWAYS.—The
14 term “Federal-aid system of highways” means a
15 highway system described in section 103 of title 23,
16 United States Code.

17 (7) PLUG-IN ELECTRIC DRIVE VEHICLE.—The
18 term “plug-in electric drive vehicle” has the meaning
19 given the term in section 131(a)(5) of the Energy
20 Independence and Security Act of 2007 (42 U.S.C.
21 17011(a)(5)).

22 (8) PRIZE.—The term “Prize” means the Ad-
23 vanced Batteries for Tomorrow Prize established by
24 section 322.

1 (9) SECRETARY.—The term “Secretary” means
2 the Secretary of Energy.

3 (10) TASK FORCE.—The term “Task Force”
4 means the Plug-in Electric Drive Vehicle Inter-
5 agency Task Force established by section 335.

6 (b) DEFINITION OF PLUG-IN ELECTRIC DRIVE VEHI-
7 CLE.—Section 131(a)(5) of the Energy Independence and
8 Security Act of 2007 (42 U.S.C. 17011(a)(5)) is amend-
9 ed—

10 (1) by redesignating subparagraphs (A), (B),
11 and (C) as clauses (i), (ii), and (iii), respectively,
12 and indenting appropriately;

13 (2) by striking “means a vehicle that—” and
14 inserting “means—

15 “(A) a vehicle that—”;

16 (3) in subparagraph (A)(iii) (as so redesign-
17 ated), by striking the period at the end and insert-
18 ing “; and”; and

19 (4) by adding at the end the following:

20 “(B) any other motor vehicle—

21 “(i) for which the motive electric
22 power can be recharged from an external
23 source of power; and

24 “(ii) that has a maximum speed of
25 greater than 25 miles per hour.”.

1 **Subtitle A—National Plug-In Elec-**
2 **tric Drive Vehicle Deployment**
3 **Program**

4 **SEC. 311. NATIONAL PLUG-IN ELECTRIC DRIVE VEHICLE**
5 **DEPLOYMENT PROGRAM.**

6 (a) IN GENERAL.—There is established within the
7 Department of Energy a national plug-in electric drive ve-
8 hicle deployment program for the purpose of assisting in
9 the deployment of plug-in electric drive vehicles.

10 (b) GOALS.—The goals of the national program de-
11 scribed in subsection (a) include—

12 (1) the reduction and displacement of petro-
13 leum use by accelerating the deployment of plug-in
14 electric drive vehicles in the United States;

15 (2) the reduction of greenhouse gas emissions
16 by accelerating the deployment of plug-in electric
17 drive vehicles in the United States;

18 (3) the facilitation of the rapid deployment of
19 plug-in electric drive vehicles, particularly into the
20 mainstream consumer market;

21 (4) the achievement of significant market pene-
22 trations by plug-in electric drive vehicles nationally;

23 (5) the establishment of models for the rapid
24 deployment of plug-in electric drive vehicles nation-
25 ally, including models for the deployment of residen-

1 tial, private, and publicly available charging infra-
2 structure;

3 (6) the increase of consumer knowledge and ac-
4 ceptance of plug-in electric drive vehicles;

5 (7) the encouragement of the innovation and in-
6 vestment necessary to achieve mass market deploy-
7 ment of plug-in electric drive vehicles;

8 (8) the facilitation of the integration of plug-in
9 electric drive vehicles into electricity distribution sys-
10 tems and the larger electric grid while maintaining
11 grid system performance and reliability;

12 (9) the provision of technical assistance to com-
13 munities across the United States to prepare for
14 plug-in electric drive vehicles; and

15 (10) the support of workforce training across
16 the United States relating to plug-in electric drive
17 vehicles.

18 (c) DUTIES.—In carrying out this subtitle, the Sec-
19 retary shall—

20 (1) provide technical assistance to State, local,
21 and tribal governments that want to create deploy-
22 ment programs for plug-in electric drive vehicles in
23 the communities over which the governments have
24 jurisdiction;

1 (2) perform national assessments of the poten-
2 tial deployment of plug-in electric drive vehicles
3 under section 312;

4 (3) synthesize and disseminate data from the
5 deployment of plug-in electric drive vehicles;

6 (4) develop best practices for the successful de-
7 ployment of plug-in electric drive vehicles;

8 (5) carry out workforce training under section
9 314;

10 (6) establish the targeted plug-in electric drive
11 vehicle deployment communities program under sec-
12 tion 316; and

13 (7) in conjunction with the Task Force, make
14 recommendations to Congress and the President on
15 methods to reduce the barriers to plug-in electric
16 drive vehicle deployment.

17 (d) REPORT.—Not later than 18 months after the
18 date of enactment of this Act and biennially thereafter,
19 the Secretary shall submit to the appropriate committees
20 of Congress a report on the progress made in imple-
21 menting the national program described in subsection (a)
22 that includes—

23 (1) a description of the progress made by—

24 (A) the technical assistance program under
25 section 313; and

1 (B) the workforce training program under
2 section 314; and

3 (2) any updated recommendations of the Sec-
4 retary for changes in Federal programs to promote
5 the purposes of this subtitle.

6 (e) NATIONAL INFORMATION CLEARINGHOUSE.—
7 The Secretary shall make available to the public, in a
8 timely manner, information regarding—

9 (1) the cost, performance, usage data, and tech-
10 nical data regarding plug-in electric drive vehicles
11 and associated infrastructure, including information
12 from the deployment communities established under
13 section 316; and

14 (2) any other educational information that the
15 Secretary determines to be appropriate.

16 **SEC. 312. NATIONAL ASSESSMENT AND PLAN.**

17 (a) IN GENERAL.—The Secretary shall carry out a
18 national assessment and develop a national plan for plug-
19 in electric drive vehicle deployment that includes—

20 (1) an assessment of the maximum feasible de-
21 ployment of plug-in electric drive vehicles by 2020
22 and 2030;

23 (2) the establishment of national goals for mar-
24 ket penetration of plug-in electric drive vehicles by
25 2020 and 2030;

1 (3) a plan for providing technical assistance to
2 communities across the United States to prepare for
3 plug-in electric drive vehicle deployment;

4 (4) a plan for quantifying the reduction in pe-
5 troleum consumption and the net impact on green-
6 house gas emissions due to the deployment of plug-
7 in electric drive vehicles;

8 (5) in consultation with the Task Force, any
9 recommendations to the President and to Congress
10 for changes in Federal programs (including laws,
11 regulations, and guidelines)—

12 (A) to better promote the deployment of
13 plug-in electric drive vehicles; and

14 (B) to reduce barriers to the deployment of
15 plug-in electric drive vehicles; and

16 (6) a plan for integrating the successes and
17 barriers to deployment identified by the deployment
18 communities program established under section 316
19 to prepare communities across the United States for
20 the rapid deployment of plug-in electric drive vehi-
21 cles;

22 (b) TIMING.—

23 (1) INITIAL DRAFT.—Not later than 1 year
24 after the date of enactment of this Act, the Sec-
25 retary shall complete an initial draft of the national

1 plan that includes the matters described in para-
2 graphs (1) through (5) of subsection (a).

3 (2) FINAL VERSION.—Not later than 18
4 months after the date of enactment of this Act, the
5 Secretary shall complete a final version of the na-
6 tional plan that includes the matters described in
7 paragraphs (1) through (6) of subsection (a).

8 (c) UPDATES.—Not later than 2 years after the date
9 of development of the plan described in subsection (a), and
10 not less frequently than once every 2 years thereafter, the
11 Secretary shall use market data and information from the
12 targeted plug-in electric drive vehicle deployment commu-
13 nities program established under section 316 and other
14 relevant data to update the plan to reflect real world mar-
15 ket conditions.

16 **SEC. 313. TECHNICAL ASSISTANCE.**

17 (a) TECHNICAL ASSISTANCE TO STATE, LOCAL, AND
18 TRIBAL GOVERNMENTS.—

19 (1) IN GENERAL.—In carrying out this subtitle,
20 the Secretary shall provide, at the request of the
21 Governor, Mayor, county executive, or the designee
22 of such an official, technical assistance to State,
23 local, and tribal governments to assist with the de-
24 ployment of plug-in electric drive vehicles.

1 (2) REQUIREMENTS.—The technical assistance
2 described in paragraph (1) shall include—

3 (A) training on codes and standards for
4 building and safety inspectors;

5 (B) training on best practices for exped-
6 iting permits and inspections;

7 (C) education and outreach on frequently
8 asked questions relating to the various types of
9 plug-in electric drive vehicles and associated in-
10 frastructure, battery technology, and disposal;
11 and

12 (D) the dissemination of information re-
13 garding best practices for the deployment of
14 plug-in electric drive vehicles.

15 (3) PRIORITY.—In providing technical assist-
16 ance under this subsection, the Secretary shall give
17 priority to—

18 (A) communities that have established
19 public and private partnerships, including part-
20 nerships comprised of—

21 (i) elected and appointed officials
22 from each of the participating State, local,
23 and tribal governments;

24 (ii) relevant generators and distribu-
25 tors of electricity;

1 (iii) public utility commissions;

2 (iv) departments of public works and
3 transportation;

4 (v) owners and operators of property
5 that will be essential to the deployment of
6 a sufficient level of publicly available
7 charging infrastructure (including privately
8 owned parking lots or structures and com-
9 mercial entities with public access loca-
10 tions);

11 (vi) plug-in electric drive vehicle man-
12 ufacturers or retailers;

13 (vii) third-party providers of charging
14 infrastructure or services;

15 (viii) owners of any major fleet that
16 will participate in the program;

17 (ix) as appropriate, owners and opera-
18 tors of regional electric power distribution
19 and transmission facilities; and

20 (x) other existing community coali-
21 tions recognized by the Department of En-
22 ergy;

23 (B) communities that, as determined by
24 the Secretary, have best demonstrated that the
25 public is likely to embrace plug-in electric drive

1 vehicles, giving particular consideration to com-
2 munities that—

3 (i) have documented waiting lists to
4 purchase plug-in electric drive vehicles;

5 (ii) have developed projections of the
6 quantity of plug-in electric drive vehicles
7 supplied to dealers; and

8 (iii) have assessed the quantity of
9 charging infrastructure installed or for
10 which permits have been issued;

11 (C) communities that have shown a com-
12 mitment to serving diverse consumer charging
13 infrastructure needs, including the charging in-
14 frastructure needs for single- and multi-family
15 housing and public and privately owned com-
16 mercial infrastructure; and

17 (D) communities that have established reg-
18 ulatory and educational efforts to facilitate con-
19 sumer acceptance of plug-in electric drive vehi-
20 cles, including by—

21 (i) adopting (or being in the process
22 of adopting) streamlined permitting and
23 inspections processes for residential charg-
24 ing infrastructure; and

1 (ii) providing customer informational
2 resources, including providing plug-in elec-
3 tric drive information on community or
4 other Web sites.

5 (4) BEST PRACTICES.—The Secretary shall col-
6 lect and disseminate information to State, local, and
7 tribal governments creating plans to deploy plug-in
8 electric drive vehicles on best practices (including
9 codes and standards) that uses data from—

10 (A) the program established by section
11 316;

12 (B) the activities carried out by the Task
13 Force; and

14 (C) existing academic and industry studies
15 of the factors that contribute to the successful
16 deployment of new technologies, particularly
17 studies relating to alternative fueled vehicles.

18 (5) GRANTS.—

19 (A) IN GENERAL.—The Secretary shall es-
20 tablish a program to provide grants to State,
21 local, and tribal governments or to partnerships
22 of government and private entities to assist the
23 governments and partnerships—

24 (i) in preparing a community deploy-
25 ment plan under section 316; and

1 (ii) in preparing and implementing
2 programs that support the deployment of
3 plug-in electric drive vehicles.

4 (B) APPLICATION.—A State, local, or trib-
5 al government that seeks to receive a grant
6 under this paragraph shall submit to the Sec-
7 retary an application for the grant at such
8 time, in such form, and containing such infor-
9 mation as the Secretary may prescribe.

10 (C) USE OF FUNDS.—A State, local, or
11 tribal government receiving a grant under this
12 paragraph shall use the funds—

13 (i) to develop a community deploy-
14 ment plan that shall be submitted to the
15 next available competition under section
16 316; and

17 (ii) to carry out activities that encour-
18 age the deployment of plug-in electric drive
19 vehicles including—

20 (I) planning for and installing
21 charging infrastructure, particularly
22 to develop and demonstrate diverse
23 and cost-effective planning, installa-
24 tion, and operations options for de-
25 ployment of single family and multi-

1 family residential, workplace, and
2 publicly available charging infrastruc-
3 ture;

4 (II) updating building, zoning, or
5 parking codes and permitting or in-
6 spection processes;

7 (III) workforce training, includ-
8 ing the training of permitting offi-
9 cials;

10 (IV) public education described
11 in the proposed marketing plan;

12 (V) supplementing (and not sup-
13 planting) the number of plug-in elec-
14 tric drive vehicles that are purchased
15 by State, local, and tribal govern-
16 ments; and

17 (VI) any other activities, as de-
18 termined to be necessary by the Sec-
19 retary.

20 (D) CRITERIA.—The Secretary shall de-
21 velop and publish criteria for the selection of
22 technical assistance grants, including require-
23 ments for the submission of applications under
24 this paragraph.

1 (b) UPDATING MODEL BUILDING CODES, PERMIT-
2 TING AND INSPECTION PROCESSES, AND ZONING OR
3 PARKING RULES.—

4 (1) IN GENERAL.—Not later than 1 year after
5 the date of enactment of this Act, the Secretary, in
6 consultation with the American Society of Heating,
7 Refrigerating and Air-Conditioning Engineers, the
8 International Code Council, and any other organiza-
9 tions that the Secretary determines to be appro-
10 priate, shall develop and publish guidance for—

11 (A) model building codes for the inclusion
12 of separate circuits for charging infrastructure,
13 as appropriate, in new construction and major
14 renovations of private residences, buildings, or
15 other structures that could provide publicly
16 available charging infrastructure;

17 (B) model construction permitting or in-
18 spection processes that allow for the expedited
19 installation of charging infrastructure for pur-
20 chasers of plug-in electric drive vehicles (includ-
21 ing a permitting process that allows a vehicle
22 purchaser to have charging infrastructure in-
23 stalled not later than 1 week after a request);
24 and

1 (C) model zoning, parking rules, or other
2 local ordinances that—

3 (i) facilitate the installation of pub-
4 licly available charging infrastructure, in-
5 cluding commercial entities that provide
6 public access to infrastructure; and

7 (ii) allow for access to publicly avail-
8 able charging infrastructure.

9 (2) OPTIONAL ADOPTION.—An applicant for se-
10 lection for technical assistance under this section or
11 as a deployment community under section 316 shall
12 not be required to use the model building codes, per-
13 mitting and inspection processes, or zoning, parking
14 rules, or other ordinances included in the report
15 under paragraph (1).

16 (3) SMART GRID INTEGRATION.—In developing
17 the model codes or ordinances described in para-
18 graph (1), the Secretary shall consider smart grid
19 integration.

20 **SEC. 314. WORKFORCE TRAINING.**

21 (a) MAINTENANCE AND SUPPORT.—

22 (1) IN GENERAL.—The Secretary, in consulta-
23 tion with the Committee and the Task Force, shall
24 award grants to institutions of higher education and
25 other qualified training and education institutions

1 for the establishment of programs to provide train-
2 ing and education for vocational workforce develop-
3 ment through centers of excellence.

4 (2) PURPOSE.—Training funded under this
5 subsection shall be intended to ensure that the work-
6 force has the necessary skills needed to work on and
7 maintain, and provide emergency assistance relating
8 to, plug-in electric drive vehicles and the infrastruc-
9 ture required to support plug-in electric drive vehi-
10 cles.

11 (3) SCOPE.—Training funded under this sub-
12 section shall include training for—

13 (A) first responders;

14 (B) electricians and contractors who will
15 be installing infrastructure;

16 (C) engineers;

17 (D) code inspection officials; and

18 (E) dealers and mechanics.

19 (b) DESIGN.—The Secretary shall award grants to
20 institutions of higher education and other qualified train-
21 ing and education institutions for the establishment of
22 programs to provide training and education in designing
23 plug-in electric drive vehicles and associated components
24 and infrastructure to ensure that the United States can
25 lead the world in this field.

1 **SEC. 315. FEDERAL FLEETS.**

2 (a) IN GENERAL.—Electricity consumed by Federal
3 agencies to fuel plug-in electric drive vehicles—

4 (1) is an alternative fuel (as defined in section
5 301 of the Energy Policy Act of 1992 (42 U.S.C.
6 13218)); and

7 (2) shall be accounted for under Federal fleet
8 management reporting requirements, not under Fed-
9 eral building management reporting requirements.

10 (b) ASSESSMENT AND REPORT.—Not later than 180
11 days after the date of enactment of this Act and every
12 3 years thereafter, the Federal Energy Management Pro-
13 gram of the Department of Energy and the General Serv-
14 ices Administration, in consultation with the Task Force,
15 shall complete an assessment of Federal Government
16 fleets, including the Postal Service and the Department
17 of Defense, and submit a report to Congress that de-
18 scribes—

19 (1) for each Federal agency, which types of ve-
20 hicles the agency uses that would or would not be
21 suitable for near-term and medium-term conversion
22 to plug-in electric drive vehicles, taking into account
23 the types of vehicles for which plug-in electric drive
24 vehicles could provide comparable functionality and
25 lifecycle costs;

1 (2) how many plug-in electric drive vehicles
2 could be deployed by the Federal Government in 5
3 years and in 10 years, assuming that plug-in electric
4 drive vehicles are available and are purchased when
5 new vehicles are needed or existing vehicles are re-
6 placed;

7 (3) the estimated cost to the Federal Govern-
8 ment for vehicle purchases under paragraph (2); and

9 (4) a description of any updates to the assess-
10 ment based on new market data.

11 (c) INVENTORY AND DATA COLLECTION.—

12 (1) IN GENERAL.—In carrying out the assess-
13 ment and report under subsection (b), the Federal
14 Energy Management Program, in consultation with
15 the General Services Administration, shall—

16 (A) develop an information request for
17 each agency that operates a fleet of at least 20
18 motor vehicles; and

19 (B) establish guidelines for each agency to
20 use in developing a plan to deploy plug-in elec-
21 tric drive vehicles.

22 (2) AGENCY RESPONSES.—Each agency that
23 operates a fleet of at least 20 motor vehicles shall—

1 (A) collect information on the vehicle fleet
2 of the agency in response to the information re-
3 quest described in paragraph (1); and

4 (B) develop a plan to deploy plug-in elec-
5 tric drive vehicles.

6 (3) ANALYSIS OF RESPONSES.—The Federal
7 Energy Management Program shall—

8 (A) analyze the information submitted by
9 each agency under paragraph (2);

10 (B) approve or suggest amendments to the
11 plan of each agency to ensure that the plan is
12 consistent with the goals and requirements of
13 this title; and

14 (C) submit a plan to Congress and the
15 General Services Administration to be used in
16 developing the pilot program described in sub-
17 section (e).

18 (d) BUDGET REQUEST.—Each agency of the Federal
19 Government shall include plug-in electric drive vehicle pur-
20 chases identified in the report under subsection (b) in the
21 budget of the agency to be included in the budget of the
22 United States Government submitted by the President
23 under section 1105 of title 31, United States Code.

24 (e) PILOT PROGRAM TO DEPLOY PLUG-IN ELECTRIC
25 DRIVE VEHICLES IN THE FEDERAL FLEET.—

1 (1) IN GENERAL.—The Administrator of Gen-
2 eral Services shall acquire plug-in electric drive vehi-
3 cles and the requisite charging infrastructure to be
4 deployed in a range of locations in Federal Govern-
5 ment fleets, which may include the United States
6 Postal Service and the Department of Defense, dur-
7 ing the 5-year period beginning on the date of enact-
8 ment of this Act.

9 (2) DATA COLLECTION.—The Administrator of
10 General Services shall collect data regarding—

11 (A) the cost, performance, and use of plug-
12 in electric drive vehicles in the Federal fleet;

13 (B) the deployment and integration of
14 plug-in electric drive vehicles in the Federal
15 fleet; and

16 (C) the contribution of plug-in electric
17 drive vehicles in the Federal fleet toward reduc-
18 ing the use of fossil fuels and greenhouse gas
19 emissions.

20 (3) REPORT.—Not later than 6 years after the
21 date of enactment of this Act, the Administrator of
22 General Services shall submit to the appropriate
23 committees of Congress a report that—

24 (A) describes the status of plug-in electric
25 drive vehicles in the Federal fleet; and

1 (B) includes an analysis of the data col-
2 lected under this subsection.

3 (4) PUBLIC WEB SITE.—The Federal Energy
4 Management Program shall maintain and regularly
5 update a publicly available Web site that provides in-
6 formation on the status of plug-in electric drive vehi-
7 cles in the Federal fleet.

8 (f) ACQUISITION PRIORITY.—Section 507(g) of the
9 Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is
10 amended by adding at the end the following:

11 “(5) PRIORITY.—The Secretary shall, to the
12 maximum extent practicable, prioritize the acquisi-
13 tion of plug-in electric drive vehicles (as defined in
14 section 131(a) of the Energy Independence and Se-
15 curity Act of 2007 (42 U.S.C. 17011(a)) over non-
16 electric alternative fueled vehicles.”.

17 (g) MAXIMUM PURCHASE PRICE OF MOTOR VEHI-
18 CLE.—Section 702 of the Consolidated Appropriations
19 Act, 2010 (31 U.S.C. 1343 note; Public Law 111–117)
20 is amended—

21 (1) by striking “section 16 of the Act of August
22 2, 1946 (60 Stat. 810),” and inserting “section
23 1343(e) of title 31, United States Code,”; and

24 (2) by inserting before the period at the end the
25 following: “: *Provided further*, That the limits set

1 forth in this section shall not apply to any vehicle
2 that is a commercial vehicle and that operates using
3 an emerging motor vehicle technology, including
4 plug-in hybrid electric and hydrogen fuel cell vehi-
5 cles”.

6 (h) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated for the Federal Govern-
8 ment to pay for incremental costs to purchase or lease
9 plug-in electric drive vehicles and the requisite charging
10 infrastructure for Federal fleets such sums as are nec-
11 essary.

12 **SEC. 316. TARGETED PLUG-IN ELECTRIC DRIVE VEHICLE**
13 **DEPLOYMENT COMMUNITIES PROGRAM.**

14 (a) ESTABLISHMENT.—

15 (1) IN GENERAL.—There is established within
16 the national plug-in electric drive deployment pro-
17 gram established under section 311 a targeted plug-
18 in electric drive vehicle deployment communities pro-
19 gram (referred to in this section as the “Program”).

20 (2) EXISTING ACTIVITIES.—In carrying out the
21 Program, the Secretary shall coordinate and supple-
22 ment, not supplant, any ongoing plug-in electric
23 drive deployment activities under section 131 of the
24 Energy Independence and Security Act of 2007 (42
25 U.S.C. 17011).

1 (3) DEPLOYMENT.—

2 (A) IN GENERAL.—The Secretary shall es-
3 tablish a competitive process to select deploy-
4 ment communities for the Program.

5 (B) ELIGIBLE ENTITIES.—In selecting
6 participants for the Program under paragraph
7 (1), the Secretary shall only consider applica-
8 tions submitted by State, tribal, or local govern-
9 ment entities (or groups of State, tribal, or
10 local government entities).

11 (C) SELECTION.—Not later than 1 year
12 after the date of enactment of this Act and not
13 later than 1 year after the date on which any
14 subsequent amounts are appropriated for the
15 Program, the Secretary shall select the deploy-
16 ment communities under this paragraph.

17 (D) TERMINATION.—The Program shall be
18 carried out for a 3-year period beginning on the
19 date funding under this title is first provided to
20 the deployment community.

21 (b) GOALS.—The goals of the Program are—

22 (1) to facilitate the rapid deployment of plug-
23 in electric drive vehicles, including—

1 (A) the deployment of 400,000 plug-in
2 electric drive vehicles in the deployment commu-
3 nities selected under paragraph (2);

4 (B) the near-term achievement of signifi-
5 cant market penetration in deployment commu-
6 nities; and

7 (C) supporting the achievement of signifi-
8 cant market penetration nationally;

9 (2) to establish models for the rapid deployment
10 of plug-in electric drive vehicles nationally, including
11 for the deployment of single-family and multifamily
12 residential, workplace, and publicly available charg-
13 ing infrastructure;

14 (3) to increase consumer knowledge and accept-
15 ance of, and exposure to, plug-in electric drive vehi-
16 cles;

17 (4) to encourage the innovation and investment
18 necessary to achieve mass market deployment of
19 plug-in electric drive vehicles;

20 (5) to demonstrate the integration of plug-in
21 electric drive vehicles into electricity distribution sys-
22 tems and the larger electric grid while maintaining
23 or improving grid system performance, security, and
24 reliability;

1 (6) to demonstrate protocols and communica-
2 tion standards that facilitate vehicle integration into
3 the grid and provide seamless charging for con-
4 sumers traveling through multiple utility distribution
5 systems;

6 (7) to investigate differences among deployment
7 communities and to develop best practices for imple-
8 menting vehicle electrification in various commu-
9 nities, including best practices for planning for and
10 facilitating the construction of residential, work-
11 place, and publicly available infrastructure to sup-
12 port plug-in electric drive vehicles;

13 (8) to collect comprehensive data on the pur-
14 chase and use of plug-in electric drive vehicles, in-
15 cluding charging profile data at unit and aggregate
16 levels, to inform best practices for rapidly deploying
17 plug-in electric drive vehicles in other locations, in-
18 cluding for the installation of charging infrastruc-
19 ture;

20 (9) to reduce and displace petroleum use and
21 reduce greenhouse gas emissions by accelerating the
22 deployment of plug-in electric drive vehicles in the
23 United States; and

24 (10) to increase domestic manufacturing capac-
25 ity and commercialization in a manner that will es-

1 establish the United States as a world leader in plug-
2 in electric drive vehicle technologies.

3 (c) DEPLOYMENT COMMUNITY SELECTION CRI-
4 TERIA.—

5 (1) IN GENERAL.—The Secretary shall ensure,
6 to the maximum extent practicable, that selected de-
7 ployment communities serve as models of deploy-
8 ment for various communities across the United
9 States.

10 (2) SELECTION.—In selecting communities
11 under this section, the Secretary—

12 (A) shall ensure, to the maximum extent
13 practicable, that—

14 (i) the combination of selected com-
15 munities is diverse in population, popu-
16 lation density, demographics, urban and
17 suburban composition, typical commuting
18 patterns, climate, and type of utility (in-
19 cluding investor-owned, publicly-owned, co-
20 operatively-owned, distribution-only, and
21 vertically integrated utilities);

22 (ii) the combination of selected com-
23 munities is diverse in geographic distribu-
24 tion, and at least 1 deployment community

1 is located in each Petroleum Administra-
2 tion for Defense District;

3 (iii) at least 1 community selected has
4 a population of less than 500,000;

5 (iv) grants are of a sufficient amount
6 such that each deployment community will
7 achieve significant market penetration,
8 particularly into the mainstream consumer
9 market; and

10 (v) the deployment communities are
11 representative of other communities across
12 the United States;

13 (B) is encouraged to select a combination
14 of deployment communities that includes mul-
15 tiple models or approaches for deploying plug-
16 in electric drive vehicles that the Secretary be-
17 lieves are reasonably likely to be effective, in-
18 cluding multiple approaches to the deployment
19 of charging infrastructure;

20 (C) in addition to the criteria described in
21 subparagraph (A), may give preference to appli-
22 cants proposing a greater non-Federal cost
23 share; and

24 (D) when considering deployment commu-
25 nity plans, shall take into account previous De-

1 partment of Energy and other Federal invest-
2 ments to ensure that the maximum domestic
3 benefit from Federal investments is realized.

4 (3) CRITERIA.—

5 (A) IN GENERAL.—Not later than 120
6 days after the date of enactment of this Act,
7 and not later than 90 days after the date on
8 which any subsequent amounts are appro-
9 priated for the Program, the Secretary shall
10 publish criteria for the selection of deployment
11 communities that include requirements that ap-
12 plications be submitted by a State, tribal, or
13 local government entity (or groups of State,
14 tribal, or local government entities).

15 (B) APPLICATION REQUIREMENTS.—The
16 criteria published by the Secretary under sub-
17 paragraph (A) shall include application require-
18 ments that, at a minimum, include—

19 (i) achievable goals and methodologies
20 for—

21 (I) the number of plug-in electric
22 drive vehicles to be deployed in the
23 community;

1 (II) the expected percentage of
2 light-duty vehicle sales that would be
3 sales of plug-in electric drive vehicles;

4 (III) the adoption of plug-in elec-
5 tric drive vehicles (including medium-
6 or heavy-duty vehicles) in private and
7 public fleets during the 3-year dura-
8 tion of the Program; and

9 (IV) a method to generate rev-
10 enue to maintain the infrastructure
11 investments made by the Program
12 after the termination of the Program;

13 (ii) data that demonstrate that—

14 (I) the public is likely to embrace
15 plug-in electric drive vehicles, which
16 may include—

17 (aa) the quantity of plug-in
18 electric drive vehicles purchased;

19 (bb) the number of individ-
20 uals on a waiting list to purchase
21 a plug-in electric drive vehicle;

22 (cc) projections of the quan-
23 tity of plug-in electric drive vehi-
24 cles supplied to dealers; and

- 1 (dd) any assessment of the
2 quantity of charging infrastruc-
3 ture installed or for which per-
4 mits have been issued; and
- 5 (II) automobile manufacturers
6 and dealers will be able to provide and
7 service the targeted number of plug-in
8 electric drive vehicles in the commu-
9 nity for the duration of the program;
- 10 (iii) clearly defined geographic bound-
11 aries of the proposed deployment area;
- 12 (iv) a community deployment plan for
13 the deployment of plug-in electric drive ve-
14 hicles, charging infrastructure, and serv-
15 ices in the deployment community;
- 16 (v) assurances that a majority of the
17 vehicle deployments anticipated in the plan
18 will be personal vehicles authorized to trav-
19 el on the United States Federal-aid system
20 of highways, and secondarily, private or
21 public sector plug-in electric drive fleet ve-
22 hicles, but may also include—
- 23 (I) private or public sector plug-
24 in electric drive fleet vehicles;

1 (II) medium- and heavy-duty
2 plug-in hybrid vehicles; and

3 (III) any other plug-in electric
4 drive vehicle authorized to travel on
5 the United States Federal-aid system
6 of highways; and

7 (vi) any other merit-based criteria, as
8 determined by the Secretary.

9 (4) COMMUNITY DEPLOYMENT PLANS.—Plans
10 for the deployment of plug-in electric drive vehicles
11 shall include—

12 (A) a proposed level of cost sharing in ac-
13 cordance with subsection (d)(2)(C);

14 (B) documentation demonstrating a sub-
15 stantial partnership with relevant stakeholders,
16 including—

17 (i) a list of stakeholders that in-
18 cludes—

19 (I) elected and appointed officials
20 from each of the participating State,
21 local, and tribal governments;

22 (II) all relevant generators and
23 distributors of electricity;

24 (III) State utility regulatory au-
25 thorities;

1 (IV) departments of public works
2 and transportation;

3 (V) owners and operators of
4 property that will be essential to the
5 deployment of a sufficient level of
6 publicly available charging infrastruc-
7 ture (including privately owned park-
8 ing lots or structures and commercial
9 entities with public access locations);

10 (VI) plug-in electric drive vehicle
11 manufacturers or retailers;

12 (VII) third-party providers of
13 residential, workplace, private, and
14 publicly available charging infrastruc-
15 ture or services;

16 (VIII) owners of any major fleet
17 that will participate in the program;

18 (IX) as appropriate, owners and
19 operators of regional electric power
20 distribution and transmission facili-
21 ties; and

22 (X) as appropriate, other existing
23 community coalitions recognized by
24 the Department of Energy;

1 (ii) evidence of the commitment of the
2 stakeholders to participate in the partner-
3 ship;

4 (iii) a clear description of the role and
5 responsibilities of each stakeholder; and

6 (iv) a plan for continuing the engage-
7 ment and participation of the stakeholders,
8 as appropriate, throughout the implemen-
9 tation of the deployment plan;

10 (C) a description of the number of plug-in
11 electric drive vehicles anticipated to be plug-in
12 electric drive personal vehicles and the number
13 of plug-in electric drive vehicles anticipated to
14 be privately owned fleet or public fleet vehicles;

15 (D) a plan for deploying residential, work-
16 place, private, and publicly available charging
17 infrastructure, including—

18 (i) an assessment of the number of
19 consumers who will have access to private
20 residential charging infrastructure in sin-
21 gle-family or multifamily residences;

22 (ii) options for accommodating plug-in
23 electric drive vehicle owners who are not
24 able to charge vehicles at their place of
25 residence;

- 1 (iii) an assessment of the number of
2 consumers who will have access to work-
3 place charging infrastructure;
- 4 (iv) a plan for ensuring that the
5 charging infrastructure or plug-in electric
6 drive vehicle be able to send and receive
7 the information needed to interact with the
8 grid and be compatible with smart grid
9 technologies to the extent feasible;
- 10 (v) an estimate of the number and
11 distribution of publicly and privately owned
12 charging stations that will be publicly or
13 commercially available;
- 14 (vi) an estimate of the quantity of
15 charging infrastructure that will be pri-
16 vately funded or located on private prop-
17 erty; and
- 18 (vii) a description of equipment to be
19 deployed, including assurances that, to the
20 maximum extent practicable, equipment to
21 be deployed will meet open, nonproprietary
22 standards for connecting to plug-in electric
23 drive vehicles that are either—

1 (I) commonly accepted by indus-
2 try at the time the equipment is being
3 acquired; or

4 (II) meet the standards developed
5 by the Director of the National Insti-
6 tute of Standards and Technology
7 under section 1305 of the Energy
8 Independence and Security Act of
9 2007 (42 U.S.C. 17385);

10 (E) a plan for effective marketing of and
11 consumer education relating to plug-in electric
12 drive vehicles, charging services, and infrastruc-
13 ture;

14 (F) descriptions of updated building codes
15 (or a plan to update building codes before or
16 during the grant period) to include charging in-
17 frastructure or dedicated circuits for charging
18 infrastructure, as appropriate, in new construc-
19 tion and major renovations;

20 (G) descriptions of updated construction
21 permitting or inspection processes (or a plan to
22 update construction permitting or inspection
23 processes) to allow for expedited installation of
24 charging infrastructure for purchasers of plug-
25 in electric drive vehicles, including a permitting

1 process that allows a vehicle purchaser to have
2 charging infrastructure installed in a timely
3 manner;

4 (H) descriptions of updated zoning, park-
5 ing rules, or other local ordinances as are nec-
6 essary to facilitate the installation of publicly
7 available charging infrastructure and to allow
8 for access to publicly available charging infra-
9 structure, as appropriate;

10 (I) descriptions of incentives for residents
11 in a deployment community who purchase and
12 register a new plug-in electric drive vehicle, in
13 addition to any Federal incentives, including—

14 (i) a rebate of part of the purchase
15 price of the vehicle;

16 (ii) reductions in sales taxes or reg-
17 istration fees;

18 (iii) rebates or reductions in the costs
19 of permitting, purchasing, or installing
20 home plug-in electric drive vehicle charging
21 infrastructure; and

22 (iv) rebates or reductions in State or
23 local toll road access charges;

24 (J) additional consumer benefits, such as
25 preferred parking spaces or single-rider access

1 to high-occupancy vehicle lanes for plug-in elec-
2 tric drive vehicles;

3 (K) a proposed plan for making necessary
4 utility and grid upgrades, including economi-
5 cally sound and cybersecure information tech-
6 nology upgrades and employee training, and a
7 plan for recovering the cost of the upgrades;

8 (L) a description of utility, grid operator,
9 or third-party charging service provider, policies
10 and plans for accommodating the deployment of
11 plug-in electric drive vehicles, including—

12 (i) rate structures or provisions and
13 billing protocols for the charging of plug-
14 in electric drive vehicles;

15 (ii) analysis of potential impacts to
16 the grid;

17 (iii) plans for using information tech-
18 nology or third-party aggregators—

19 (I) to minimize the effects of
20 charging on peak loads;

21 (II) to enhance reliability; and

22 (III) to provide other grid bene-
23 fits;

24 (iv) plans for working with smart grid
25 technologies or third-party aggregators for

1 the purposes of smart charging and for al-
 2 lowing 2-way communication;

3 (M) a deployment timeline;

4 (N) a plan for monitoring and evaluating
 5 the implementation of the plan, including
 6 metrics for assessing the success of the deploy-
 7 ment and an approach to updating the plan, as
 8 appropriate; and

9 (O) a description of the manner in which
 10 any grant funds applied for under subsection
 11 (d) will be used and the proposed local cost
 12 share for the funds.

13 (d) APPLICATIONS AND GRANTS.—

14 (1) APPLICATIONS.—

15 (A) IN GENERAL.—Not later than 150
 16 days after the date of publication by the Sec-
 17 retary of selection criteria described in sub-
 18 section (c)(3), any State, tribal, or local govern-
 19 ment, or group of State, tribal, or local govern-
 20 ments may apply to the Secretary to become a
 21 deployment community.

22 (B) JOINT SPONSORSHIP.—

23 (i) IN GENERAL.—An application sub-
 24 mitted under subparagraph (A) may be
 25 jointly sponsored by electric utilities, auto-

1 mobile manufacturers, technology pro-
2 viders, carsharing companies or organiza-
3 tions, third-party plug-in electric drive ve-
4 hicle service providers, or other appropriate
5 entities.

6 (ii) DISBURSEMENT OF GRANTS.—A
7 grant provided under this subsection shall
8 only be disbursed to a State, tribal, or
9 local government, or group of State, tribal,
10 or local governments, regardless of whether
11 the application is jointly sponsored under
12 clause (i).

13 (2) GRANTS.—

14 (A) IN GENERAL.—In each application, the
15 applicant may request up to \$250,000,000 in fi-
16 nancial assistance from the Secretary to fund
17 projects in the deployment community.

18 (B) USE OF FUNDS.—Funds provided
19 through a grant under this paragraph may be
20 used to help implement the plan for the deploy-
21 ment of plug-in electric drive vehicles included
22 in the application, including—

23 (i) reducing the cost and increasing
24 the consumer adoption of plug-in electric

1 drive vehicles through incentives as de-
2 scribed in subsection (c)(4)(I);

3 (ii) planning for and installing charg-
4 ing infrastructure, including offering addi-
5 tional incentives as described in subsection
6 (c)(4)(I);

7 (iii) updating building codes, zoning
8 or parking rules, or permitting or inspec-
9 tion processes as described in subpara-
10 graphs (F), (G), and (H) of subsection
11 (c)(4);

12 (iv) workforce training, including
13 training of permitting officials;

14 (v) public education and marketing
15 described in the proposed marketing plan;

16 (vi) supplementing (and not sup-
17 planting) the number of plug-in electric
18 drive vehicles that are purchased by State,
19 local, and tribal governments; and

20 (vii) necessary utility and grid up-
21 grades as described in subsection
22 (c)(4)(K).

23 (C) COST-SHARING.—

24 (i) IN GENERAL.—A grant provided
25 under this paragraph shall be subject to a

1 minimum non-Federal cost-sharing re-
2 quirement of 20 percent.

3 (ii) NON-FEDERAL SOURCES.—The
4 Secretary shall—

5 (I) determine the appropriate
6 cost share for each selected applicant;
7 and

8 (II) require that not less than 20
9 percent of the cost of an activity fund-
10 ed by a grant under this paragraph be
11 provided by a non-Federal source.

12 (iii) REDUCTION.—The Secretary may
13 reduce or eliminate the cost-sharing re-
14 quirement described in clause (i), as the
15 Secretary determines to be necessary.

16 (iv) CALCULATION OF AMOUNT.—In
17 calculating the amount of the non-Federal
18 share under this section, the Secretary—

19 (I) may include allowable costs in
20 accordance with the applicable cost
21 principles, including—

22 (aa) cash;

23 (bb) personnel costs;

24 (cc) the value of a service,
25 other resource, or third party in-

1 kind contribution determined in
2 accordance with the applicable
3 circular of the Office of Manage-
4 ment and Budget;

5 (dd) indirect costs or facili-
6 ties and administrative costs; or

7 (ee) any funds received
8 under the power program of the
9 Tennessee Valley Authority or
10 any Power Marketing Adminis-
11 tration (except to the extent that
12 such funds are made available
13 under an annual appropriation
14 Act);

15 (II) shall include contributions
16 made by State, tribal, or local govern-
17 ment entities and private entities; and

18 (III) shall not include—

19 (aa) revenues or royalties
20 from the prospective operation of
21 an activity beyond the time con-
22 sidered in the grant;

23 (bb) proceeds from the pro-
24 spective sale of an asset of an ac-
25 tivity; or

1 (cc) other appropriated Fed-
2 eral funds.

3 (v) REPAYMENT OF FEDERAL
4 SHARE.—The Secretary shall not require
5 repayment of the Federal share of a cost-
6 shared activity under this section as a con-
7 dition of providing a grant.

8 (vi) TITLE TO PROPERTY.—The Sec-
9 retary may vest title or other property in-
10 terests acquired under projects funded
11 under this title in any entity, including the
12 United States.

13 (D) OTHER FEDERAL ASSISTANCE.—The
14 Secretary shall consider the receipt of other
15 Federal funds received by the applicant in de-
16 termining the cost share of the applicant.

17 (3) SELECTION.—Not later than 120 days after
18 an application deadline has been established under
19 paragraph (1), the Secretary shall announce the
20 names of the deployment communities selected under
21 this subsection.

22 (e) REPORTING REQUIREMENTS.—

23 (1) IN GENERAL.—The Secretary, in consulta-
24 tion with the Committee, shall—

1 (A) determine what data will be required
2 to be collected by participants in deployment
3 communities and submitted to the Department
4 to allow for analysis of the deployment commu-
5 nities;

6 (B) provide for the protection of consumer
7 privacy, as appropriate; and

8 (C) develop metrics to evaluate the per-
9 formance of the deployment communities.

10 (2) PROVISION OF DATA.—As a condition of
11 participation in the Program, a deployment commu-
12 nity shall provide any data identified by the Sec-
13 retary under paragraph (1).

14 (3) REPORTS.—

15 (A) INTERIM REPORT.—Not later than 3
16 years after the date of enactment of this Act,
17 the Secretary shall submit to Congress an in-
18 terim report that contains—

19 (i) a description of the status of—

20 (I) the deployment communities
21 and the implementation of the deploy-
22 ment plan of each deployment commu-
23 nity;

24 (II) the rate of vehicle manufac-
25 turing deployment and market pene-

1 tration of plug-in electric drive vehi-
2 cles; and

3 (III) the deployment of residen-
4 tial and publicly available infrastruc-
5 ture;

6 (ii) a description of the challenges ex-
7 perienced and lessons learned from the
8 program to date, including the activities
9 described in clause (i); and

10 (iii) an analysis of the data collected
11 under this subsection.

12 (B) FINAL REPORT.—On completion of the
13 Program, the Secretary shall submit to Con-
14 gress a final report that contains—

15 (i) updates on the information de-
16 scribed in subparagraph (A);

17 (ii) a description of the successes and
18 failures of the Program;

19 (iii) recommendations on whether to
20 promote further deployment of electric ve-
21 hicles; and

22 (iv) if additional deployment commu-
23 nities are recommended, information on—

1 (I) the number of additional de-
2 ployment communities that should be
3 selected;

4 (II) the manner in which criteria
5 for selection should be updated;

6 (III) the manner in which incen-
7 tive structures for deployment should
8 be changed; and

9 (IV) whether other forms of on-
10 board energy storage for electric drive
11 vehicles should be included.

12 (f) PROPRIETARY INFORMATION.—The Secretary
13 shall, as appropriate, provide for the protection of propri-
14 etary information and intellectual property rights.

15 (g) CONFORMING AMENDMENT.—Section 166(b)(5)
16 of title 23, United States Code, is amended—

17 (1) in subparagraph (A), by striking “Before
18 September 30, 2009, the State” and inserting “The
19 State”; and

20 (2) in subparagraph (B), by striking “Before
21 September 30, 2009, the State” and inserting “The
22 State”.

1 **SEC. 317. PLUG-IN ELECTRIC DRIVE VEHICLE PRIVATE**
2 **FLEET UPGRADE PROGRAM.**

3 (a) ESTABLISHMENT.—There is established within
4 the national plug-in electric drive deployment program es-
5 tablished under section 311 a plug-in electric drive vehicle
6 private fleet upgrade program (referred to in this section
7 as the “Program”).

8 (b) COMPETITIVE GRANTS.—

9 (1) IN GENERAL.—The Secretary shall establish
10 a competitive process to select electric drive vehicle
11 fleets for the Program to receive grants.

12 (2) ELIGIBLE ENTITIES.—In selecting partici-
13 pants for the Program under paragraph (1), the
14 Secretary shall only consider applications (including
15 joint applications) submitted by companies that—

16 (A) are private, nongovernmental entities;

17 (B) are headquartered in the United
18 States; and

19 (C) plan to purchase, or enter into con-
20 tracts for hire, not less than 100 plug-in elec-
21 tric drive vehicles.

22 (3) SELECTION CRITERIA.—Not later than 120
23 days after the date of enactment of this Act, the
24 Secretary shall publish a set of selection criteria for
25 the grants competition that shall include—

1 (A) offering the highest cost-share relative
2 to the value of the Federal grant offered under
3 the Program;

4 (B) to the maximum extent practicable,
5 serving as models of deployment for other pri-
6 vate companies across the United States; and

7 (C) meeting other criteria considered ap-
8 propriate by the Secretary.

9 (4) APPLICATIONS AND GRANTS.—

10 (A) IN GENERAL.—Not later than 120
11 days after the date of publication by the Sec-
12 retary of the selection criteria described in
13 paragraph (3), any company that meets the eli-
14 gibility criteria described in paragraph (2) may
15 apply to the Secretary to receive a grant.

16 (B) GRANTS.—

17 (i) IN GENERAL.—In each application,
18 the applicant may apply for grants of not
19 more than \$20,000,000.

20 (ii) USE OF FUNDS.—Funds provided
21 through a grant under this subsection may
22 be used—

23 (I) to purchase plug-in electric
24 drive vehicles;

1 (II) to plan for and install charg-
2 ing infrastructure; and

3 (III) to carry out other activities
4 considered appropriate by the Sec-
5 retary.

6 (iii) COST-SHARING.—

7 (I) IN GENERAL.—A grant pro-
8 vided under this subsection shall be
9 subject to a minimum non-Federal
10 cost-sharing requirement of 80 per-
11 cent.

12 (II) NON-FEDERAL SOURCES.—
13 The Secretary shall—

14 (aa) determine the appro-
15 priate cost share for each se-
16 lected applicant; and

17 (bb) subject to subclause
18 (III), require that not less than
19 80 percent of the cost of an ac-
20 tivity funded by a grant under
21 this subsection be provided from
22 a non-Federal source.

23 (III) REDUCTION.—The Sec-
24 retary may reduce or eliminate the
25 cost-sharing requirement described in

1 subclause (I), as the Secretary deter-
2 mines to be necessary.

3 (IV) REPAYMENT OF FEDERAL
4 SHARE.—The Secretary shall not re-
5 quire repayment of the Federal share
6 of a cost-shared activity under this
7 section as a condition of providing a
8 grant.

9 (V) TITLE TO PROPERTY.—The
10 receipt of Federal funds under this
11 section shall not prohibit the pur-
12 chaser of a vehicle, equipment, or
13 other property from retaining sole,
14 permanent title to the vehicle, equip-
15 ment, or property at the conclusion of
16 the Program.

17 (iv) OTHER FEDERAL ASSISTANCE.—
18 The Secretary shall consider the receipt of
19 other Federal funds by the applicant in de-
20 termining the cost share of the applicant.

21 (C) SELECTION.—Not later than 120 days
22 after the application deadline established under
23 subparagraph (A), the Secretary shall announce
24 the names of the applicants selected to receive
25 grants under this section.

1 (5) REPORTING REQUIREMENTS.—

2 (A) IN GENERAL.—The Secretary shall—

3 (i) determine what data will be re-
4 quired to be collected by participants in
5 the Program and submitted to the Sec-
6 retary to permit analysis of the Program;
7 and

8 (ii) develop metrics to determine the
9 success of the deployment communities.

10 (B) PROVISION OF DATA.—As a condition
11 of participation in the Program, an applicant
12 shall provide any data determined by the Sec-
13 retary under subparagraph (A).

14 (C) PROPRIETARY INFORMATION.—In car-
15 rying out this paragraph, the Secretary shall, as
16 appropriate, provide for the protection of pro-
17 prietary information and intellectual property
18 rights.

19 (c) LOAN GUARANTEES.—Section 1703(b) of the En-
20 ergy Policy Act of 2005 (42 U.S.C. 16513(b) is amended
21 by adding at the end the following:

22 “(11) Plug-in electric drive vehicle fleets.”.

1 **Subtitle B—Research and** 2 **Development**

3 **SEC. 321. RESEARCH AND DEVELOPMENT PROGRAM.**

4 (a) RESEARCH AND DEVELOPMENT PROGRAM.—

5 (1) IN GENERAL.—The Secretary, in consulta-
6 tion with the Committee, shall establish a program
7 to fund research and development in advanced bat-
8 teries, plug-in electric drive vehicle components,
9 plug-in electric drive infrastructure, and other tech-
10 nologies supporting the development, manufacture,
11 and deployment of plug-in electric drive vehicles and
12 charging infrastructure.

13 (2) USE OF FUNDS.—The program may include
14 funding for—

15 (A) the development of low-cost, smart-
16 charging and vehicle-to-grid connectivity tech-
17 nology;

18 (B) the benchmarking and assessment of
19 open software systems using nationally estab-
20 lished evaluation criteria; and

21 (C) new technologies in electricity storage
22 or electric drive components for vehicles.

23 (3) REPORT.—Not later than 4 years after the
24 date of enactment of this Act, the Secretary shall

1 submit to Congress a report describing the status of
2 the program described in paragraph (1).

3 (4) SUPPLEMENTAL FUNDING.—Funds pro-
4 vided under this section shall supplement (and not
5 supplant) funds made available for research and de-
6 velopment under the Vehicles Technology Program
7 of the Department of Energy.

8 (b) SECONDARY USE APPLICATIONS PROGRAM.—

9 (1) IN GENERAL.—The Secretary, in consulta-
10 tion with the Committee, shall carry out a research,
11 development, and demonstration program that builds
12 upon any work carried out under section 915 of the
13 Energy Policy Act of 2005 (42 U.S.C. 16195) and—

14 (A) identifies possible uses of a vehicle bat-
15 tery after the useful life of the battery in a ve-
16 hicle has been exhausted;

17 (B) assesses the potential for markets for
18 uses described in subparagraph (A) to develop,
19 as well as any barriers to the development of
20 the markets;

21 (C) identifies the infrastructure, tech-
22 nology, and equipment needed to manage the
23 charging activity of the batteries used in sta-
24 tionary sources; and

1 (D) identifies the potential uses of a vehi-
2 cle battery—

3 (i) with the most promise for market
4 development; and

5 (ii) for which market development
6 would be aided by a demonstration project.

7 (2) REPORT.—Not later than 2 years after the
8 date of enactment of this Act, the Secretary shall
9 submit to the appropriate committees of Congress
10 an initial report on the findings of the program de-
11 scribed in paragraph (1), including recommendations
12 for stationary energy storage and other potential ap-
13 plications for batteries used in plug-in electric drive
14 vehicles.

15 (c) SECONDARY USE DEMONSTRATION PROJECTS.—

16 (1) IN GENERAL.—Based on the results of the
17 program described in subsection (b), the Secretary,
18 in consultation with the Committee, shall develop
19 guidelines for projects that demonstrate the sec-
20 ondary uses of vehicle batteries.

21 (2) PUBLICATION OF GUIDELINES.—Not later
22 than 30 months after the date of enactment of this
23 Act, the Secretary shall—

24 (A) publish the guidelines described in
25 paragraph (1); and

1 (B) solicit applications for funding for
2 demonstration projects.

3 (3) GRANT PROGRAM.—Not later than 38
4 months after the date of enactment of this Act, the
5 Secretary shall select proposals for grant funding
6 under this section, based on an assessment of which
7 proposals are mostly likely to contribute to the devel-
8 opment of a secondary market for batteries.

9 (d) MATERIALS RECYCLING STUDY.—

10 (1) IN GENERAL.—The Secretary, in consulta-
11 tion with the Committee, shall carry out a study on
12 the recycling of materials from plug-in electric drive
13 vehicles and the batteries used in plug-in electric
14 drive vehicles.

15 (2) REPORT.—Not later than 2 years after the
16 date of enactment of this Act, the Secretary shall
17 submit to the appropriate committees of Congress a
18 report on the findings of the study described in
19 paragraph (1).

20 (e) ARPA-E PLUG-IN ELECTRIC DRIVE VEHICLE
21 RESEARCH AND DEVELOPMENT PROGRAMS.—Funds
22 made available under this section shall be used—

23 (1) by the Advanced Research Projects Agen-
24 cy—Energy established by section 5012(b) of the
25 America COMPETES Act (42 U.S.C. 16538(b) (re-

1 ferred to in this subsection as “ARPA-E”) to fund
2 high-risk, high-reward research and development
3 programs supporting the development, manufacture,
4 and deployment of plug-in electric drive vehicles and
5 charging infrastructure, including advanced bat-
6 teries, plug-in electric drive components, and plug-in
7 electric drive infrastructure; and

8 (2) to supplement (and not supplant) funds
9 made available for ARPA-E.

10 **SEC. 322. ADVANCED BATTERIES FOR TOMORROW PRIZE.**

11 (a) IN GENERAL.—Not later than 1 year after the
12 date of enactment of this Act, as part of the program de-
13 scribed in section 1008 of the Energy Policy Act of 2005
14 (42 U.S.C. 16396), the Secretary shall establish the Ad-
15 vanced Batteries for Tomorrow Prize to competitively
16 award cash prizes in accordance with this section to ad-
17 vance the research, development, demonstration, and com-
18 mercial application of a 500-mile vehicle battery.

19 (b) BATTERY SPECIFICATIONS.—

20 (1) IN GENERAL.—To be eligible for the Prize,
21 a battery submitted by an entrant shall be—

22 (A) able to power a plug-in electric drive
23 vehicle authorized to travel on the United
24 States Federal-aid system of highways for at
25 least 500 miles before recharging;

1 (B) of a size that would not be cost-prohib-
2 itive or create space constraints, if mass-pro-
3 duced; and

4 (C) cost-effective (measured in cost per kil-
5 owatt hour), if mass-produced.

6 (2) ADDITIONAL REQUIREMENTS.—The Sec-
7 retary, in consultation with the Committee, shall es-
8 tablish any additional battery specifications that the
9 Secretary and the Committee determine to be nec-
10 essary.

11 (c) PRIVATE FUNDS.—

12 (1) IN GENERAL.—Subject to paragraph (2)
13 and notwithstanding section 3302 of title 31, United
14 States Code, the Secretary may accept, retain, and
15 use funds contributed by any person, government
16 entity, or organization for purposes of carrying out
17 this subsection—

18 (A) without further appropriation; and

19 (B) without fiscal year limitation.

20 (2) RESTRICTION ON PARTICIPATION.—An enti-
21 ty providing private funds for the Prize may not
22 participate in the competition for the Prize.

23 (d) TECHNICAL REVIEW.—The Secretary, in con-
24 sultation with the Committee, shall establish a technical
25 review committee composed of non-Federal officers to re-

1 view data submitted by Prize entrants under this section
2 and determine whether the data meets the prize specifica-
3 tions described in subsection (b).

4 (e) THIRD PARTY ADMINISTRATION.—The Secretary
5 may select, on a competitive basis, a third party to admin-
6 ister awards provided under this section.

7 (f) ELIGIBILITY.—To be eligible for an award under
8 this section—

9 (1) in the case of a private entity, the entity
10 shall be incorporated in and maintain a primary
11 place of business in the United States; and

12 (2) in the case of an individual (whether par-
13 ticipating as a single individual or in a group), the
14 individual shall be a citizen or lawful permanent
15 resident of the United States.

16 (g) AWARD AMOUNTS.—

17 (1) IN GENERAL.—Subject to the availability of
18 funds to carry out this section, the amount of the
19 Prize shall be \$10,000,000.

20 (2) BREAKTHROUGH ACHIEVEMENT AWARDS.—

21 In addition to the award described in paragraph (1),
22 the Secretary, in consultation with the technical re-
23 view committee established under subsection (d),
24 may award cash prizes, in amounts determined by
25 the Secretary, in recognition of breakthrough

1 achievements in research, development, demonstra-
2 tion, and commercial application of—

3 (A) activities described in subsection (b);

4 or

5 (B) advances in battery durability, energy
6 density, and power density.

7 (h) 500-MILE BATTERY AWARD FUND.—

8 (1) ESTABLISHMENT.—There is established in
9 the Treasury of the United States a fund to be
10 known as the “500-mile Battery Fund” (referred to
11 in this section as the “Fund”), to be administered
12 by the Secretary, to be available without fiscal year
13 limitation and subject to appropriation, to award
14 amounts under this section.

15 (2) TRANSFERS TO FUND.—The Fund shall
16 consist of—

17 (A) such amounts as are appropriated to
18 the Fund under section 701; and

19 (B) such amounts as are described in sub-
20 section (c) and that are provided for the Fund.

21 (3) PROHIBITION.—Amounts in the Fund may
22 not be made available for any purpose other than a
23 purposes described in subsection (a).

24 (4) ANNUAL REPORTS.—

1 (A) IN GENERAL.—Not later than 60 days
2 after the end of each fiscal year beginning with
3 fiscal year 2012, the Secretary shall submit a
4 report on the operation of the Fund during the
5 fiscal year to—

6 (i) the Committees on Appropriations
7 of the House of Representatives and of the
8 Senate;

9 (ii) the Committee on Energy and
10 Natural Resources of the Senate; and

11 (iii) the Committee on Energy and
12 Commerce of the House of Representa-
13 tives.

14 (B) CONTENTS.—Each report shall in-
15 clude, for the fiscal year covered by the report,
16 the following:

17 (i) A statement of the amounts depos-
18 ited into the Fund.

19 (ii) A description of the expenditures
20 made from the Fund for the fiscal year, in-
21 cluding the purpose of the expenditures.

22 (iii) Recommendations for additional
23 authorities to fulfill the purpose of the
24 Fund.

1 (iv) A statement of the balance re-
2 maining in the Fund at the end of the fis-
3 cal year.

4 (5) SEPARATE APPROPRIATIONS ACCOUNT.—
5 Section 1105(a) of title 31, United States Code, is
6 amended—

7 (A) by redesignating paragraphs (35) and
8 (36) as paragraphs (36) and (37), respectively;

9 (B) by redesignating the second paragraph
10 (33) (relating to obligational authority and out-
11 lays requested for homeland security) as para-
12 graph (35); and

13 (C) by adding at the end the following:

14 “(38) a separate statement for the 500-mile
15 Battery Fund established under section 322(h) of
16 the Oil Independence for a Stronger America Act of
17 2011, which shall include the estimated amount of
18 deposits into the Fund, obligations, and outlays from
19 the Fund.”.

20 **SEC. 323. STUDY ON THE SUPPLY OF RAW MATERIALS.**

21 (a) IN GENERAL.—The Secretary of the Interior, in
22 consultation with the Secretary and the Task Force, shall
23 conduct a study that—

24 (1) identifies the raw materials needed for the
25 manufacture of plug-in electric drive vehicles, bat-

1 teries, and other components for plug-in electric
2 drive vehicles, and for the infrastructure needed to
3 support plug-in electric drive vehicles;

4 (2) describes the primary or original sources
5 and known reserves and resources of those raw ma-
6 terials;

7 (3) assesses, in consultation with an inde-
8 pendent analysis entity designated by the Secretary,
9 the degree of risk to the manufacture, maintenance,
10 deployment, and use of plug-in electric drive vehicles
11 associated with the supply of those raw materials;
12 and

13 (4) identifies pathways to securing reliable and
14 resilient supplies of those raw materials.

15 (b) REPORT.—Not later than 3 years after the date
16 of enactment of this Act, the Secretary of the Interior
17 shall submit to Congress a report that describes the re-
18 sults of the study.

19 **SEC. 324. STUDY ON THE COLLECTION AND PRESERVATION**
20 **OF DATA COLLECTED FROM PLUG-IN ELEC-**
21 **TRIC DRIVE VEHICLES.**

22 (a) IN GENERAL.—Not later than 180 days after the
23 date of enactment of this Act, the Secretary, in consulta-
24 tion with the Committee, shall enter into an agreement

1 with the National Academy of Sciences under which the
2 Academy shall conduct a study that—

3 (1) identifies—

4 (A) the data that may be collected from
5 plug-in electric drive vehicles, including data on
6 the location, charging patterns, and usage of
7 plug-in electric drive vehicles;

8 (B) the scientific, economic, commercial,
9 security, and historic potential of the data de-
10 scribed in subparagraph (A); and

11 (C) any laws or regulations that relate to
12 the data described in subparagraph (A); and

13 (2) analyzes and provides recommendations on
14 matters that include procedures, technologies, and
15 rules relating to the collection, storage, and preser-
16 vation of the data described in paragraph (1)(A).

17 (b) REPORT.—Not later than 15 months after the
18 date of an agreement between the Secretary and the Acad-
19 emy under subsection (a), the National Academy of
20 Sciences shall submit to the appropriate committees of
21 Congress a report that describes the results of the study
22 under subsection (a).

1 **Subtitle C—Miscellaneous**

2 **SEC. 331. UTILITY PLANNING FOR PLUG-IN ELECTRIC** 3 **DRIVE VEHICLES.**

4 (a) IN GENERAL.—The Public Utility Regulatory
 5 Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amend-
 6 ed—

7 (1) in section 111(d) (16 U.S.C. 2621(d)), by
 8 adding at the end the following:

9 “(20) PLUG-IN ELECTRIC DRIVE VEHICLE
 10 PLANNING.—

11 “(A) UTILITY PLAN FOR PLUG-IN ELEC-
 12 TRIC DRIVE VEHICLES.—

13 “(i) IN GENERAL.—Not later than 2
 14 years after the date of enactment of this
 15 paragraph, each electric utility shall de-
 16 velop a plan to support the use of plug-in
 17 electric drive vehicles in the service area of
 18 the electric utility.

19 “(ii) REQUIREMENTS.—A plan under
 20 clause (i) shall investigate—

21 “(I) various levels of potential
 22 penetration of plug-in electric drive
 23 vehicles in the utility service area;

24 “(II) the potential impacts that
 25 the various levels of penetration and

1 charging scenarios (including charging
2 rates and daily hours of charging)
3 would have on generation, distribution
4 infrastructure, and the operation of
5 the transmission grid; and

6 “(III) the role of third parties in
7 providing reliable and economical
8 charging services.

9 “(iii) WAIVER.—

10 “(I) IN GENERAL.—An electric
11 utility that determines that the elec-
12 tric utility will not be impacted by
13 plug-in electric drive vehicles during
14 the 5-year period beginning on the
15 date of enactment of this paragraph
16 may petition the Secretary to waive
17 clause (i) for 5 years.

18 “(II) APPROVAL.—Approval of a
19 waiver under subclause (I) shall be in
20 the sole discretion of the Secretary.

21 “(iv) UPDATES.—

22 “(I) IN GENERAL.—Each electric
23 utility shall update the plan of the
24 electric utility every 2 years.

1 “(II) RESUBMISSION OF WAIV-
2 ER.—An electric utility that received a
3 waiver under clause (iii) and wants
4 the waiver to continue after the expi-
5 ration of the waiver shall be required
6 to resubmit the waiver.

7 “(v) EXEMPTION.—If the Secretary
8 determines that a plan required by a State
9 regulatory authority meets the require-
10 ments of this paragraph, the Secretary
11 may accept that plan and exempt the elec-
12 tric utility submitting the plan from the re-
13 quirements of clause (i).

14 “(B) SUPPORT REQUIREMENTS.—Each
15 State regulatory authority (in the case of each
16 electric utility for which the authority has rate-
17 making authority) and each publicly owned util-
18 ity and cooperative utility shall—

19 “(i) participate in any local plan for
20 the deployment of recharging infrastruc-
21 ture in communities located in the foot-
22 print of the authority or utility;

23 “(ii) require that charging infrastruc-
24 ture deployed is interoperable with prod-

1 ucts of all auto manufacturers to the max-
2 imum extent practicable; and

3 “(iii) consider adopting minimum re-
4 quirements for deployment of electrical
5 charging infrastructure and other appro-
6 priate requirements necessary to support
7 the use of plug-in electric drive vehicles.

8 “(C) COST RECOVERY.—Each State regu-
9 latory authority (in the case of each electric
10 utility for which the authority has ratemaking
11 authority) and each publicly owned utility and
12 cooperative utility may consider whether, and to
13 what extent, to allow cost recovery for plans
14 and implementation of plans.

15 “(D) DETERMINATION.—Not later than 3
16 years after the date of enactment of this para-
17 graph, each State regulatory authority (with re-
18 spect to each electric utility for which the au-
19 thority has ratemaking authority), and each
20 publicly owned utility and cooperative electric
21 utility, shall complete the consideration, and
22 shall make the determination, referred to in
23 subsection (a) with respect to the standard es-
24 tablished by this paragraph.”.

25 (2) in section 112(c) (16 U.S.C. 2622(c))—

1 (A) in the first sentence, by striking “Each
2 State” and inserting the following:

3 “(1) IN GENERAL.—Each State”;

4 (B) in the second sentence, by striking “In
5 the case” and inserting the following:

6 “(2) SPECIFIC STANDARDS.—

7 “(A) NET METERING AND FOSSIL FUEL
8 GENERATION EFFICIENCY.—In the case”;

9 (C) in the third sentence, by striking “In
10 the case” and inserting the following:

11 “(B) TIME-BASED METERING AND COMMU-
12 NICATIONS.—In the case”;

13 (D) in the fourth sentence—

14 (i) by striking “In the case” and in-
15 serting the following:

16 “(C) INTERCONNECTION.—In the case”;

17 and

18 (ii) by striking “paragraph (15)” and
19 inserting “paragraph (15) of section
20 111(d)”;

21 (E) in the fifth sentence, by striking “In
22 the case” and inserting the following:

23 “(D) INTEGRATED RESOURCE PLANNING,
24 RATE DESIGN MODIFICATIONS, SMART GRID IN-

1 VESTMENTS, SMART GRID INFORMATION.—In
2 the case”; and

3 (F) by adding at the end the following:

4 “(E) PLUG-IN ELECTRIC DRIVE VEHICLE
5 PLANNING.—In the case of the standards estab-
6 lished by paragraph (20) of section 111(d), the
7 reference contained in this subsection to the
8 date of enactment of this Act shall be deemed
9 to be a reference to the date of enactment of
10 that paragraph.”; and

11 (3) in section 112(d) (16 U.S.C. 2622(d)), in
12 the matter preceding paragraph (1), by striking
13 “(19)” and inserting “(20)”.

14 (b) REPORT.—

15 (1) IN GENERAL.—The Secretary, in consulta-
16 tion with the Technical Advisory Committee, shall
17 convene a group of utility stakeholders, charging in-
18 frastructure providers, third party aggregators, and
19 others, as appropriate, to discuss and determine the
20 potential models for the technically and logistically
21 challenging issues involved in using electricity as a
22 fuel for vehicles, including—

23 (A) accommodation for billing for charging
24 a plug-in electric drive vehicle, both at home

1 and at publicly available charging infrastruc-
 2 ture;

3 (B) plans for anticipating vehicle to grid
 4 applications that will allow batteries in cars as
 5 well as banks of batteries to be used for grid
 6 storage, ancillary services provision, and backup
 7 power;

8 (C) integration of plug-in electric drive ve-
 9 hicles with smart grid, including protocols and
 10 standards, necessary equipment, and informa-
 11 tion technology systems; and

12 (D) any other barriers to installing suffi-
 13 cient and appropriate charging infrastructure.

14 (2) REPORT.—Not later than 2 years after the
 15 date of enactment of this Act and biennially there-
 16 after, the Secretary shall submit to the appropriate
 17 committees of Congress a report that includes—

18 (A) the issues and model solutions de-
 19 scribed in paragraph (1); and

20 (B) any other issues that the Task Force
 21 and Secretary determine to be appropriate.

22 **SEC. 332. LOAN GUARANTEES.**

23 (a) LOAN GUARANTEES FOR ADVANCED BATTERY
 24 PURCHASES FOR USE IN STATIONARY APPLICATIONS.—

25 Subtitle B of title I of the Energy Independence and Secu-

1 rity Act of 2007 (42 U.S.C. 17011 et seq.) is amended
2 by adding at the end the following:

3 **“SEC. 137. LOAN GUARANTEES FOR ADVANCED BATTERY**
4 **PURCHASES.**

5 “(a) DEFINITIONS.—In this section:

6 “(1) QUALIFIED AUTOMOTIVE BATTERY.—The
7 term ‘qualified automotive battery’ means a battery
8 that—

9 “(A) has at least 4 kilowatt hours of bat-
10 tery capacity; and

11 “(B) is designed for use in qualified plug-
12 in electric drive motor vehicles but is purchased
13 for nonautomotive applications.

14 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-
15 tity’ means—

16 “(A) an original equipment manufacturer;

17 “(B) an electric utility;

18 “(C) any provider of range extension infra-
19 structure; or

20 “(D) any other qualified entity, as deter-
21 mined by the Secretary.

22 “(b) LOAN GUARANTEES.—

23 “(1) IN GENERAL.—The Secretary shall guar-
24 antee loans made to eligible entities for the aggre-
25 gate purchase of not less than 200 qualified auto-

1 (2) means of accelerating the deployment of
2 safe, economical, and efficient plug-in electric drive
3 vehicles for mass market adoption;

4 (3) the development and deployment of charg-
5 ing infrastructure;

6 (4) the development of uniform codes, stand-
7 ards, and safety protocols for plug-in electric drive
8 vehicles and charging infrastructure; and

9 (5) reporting on the competitiveness of the
10 United States in plug-in electric drive vehicle and in-
11 frastructure research, manufacturing, and deploy-
12 ment.

13 (c) MEMBERSHIP.—

14 (1) MEMBERS.—

15 (A) IN GENERAL.—The Committee shall
16 consist of not less than 12, but not more than
17 25, members.

18 (B) REPRESENTATION.—The Secretary
19 shall appoint the members to Committee from
20 among representatives of—

21 (i) domestic industry;

22 (ii) institutions of higher education;

23 (iii) professional societies;

1 (iv) Federal, State, and local govern-
2 mental agencies (including the National
3 Laboratories); and

4 (v) financial, transportation, labor, en-
5 vironmental, electric utility, or other ap-
6 propriate organizations or individuals with
7 direct experience in deploying and mar-
8 keting plug-in electric drive vehicles, as the
9 Secretary determines to be necessary.

10 (2) TERMS.—

11 (A) IN GENERAL.—The term of a Com-
12 mittee member shall not be longer than 3 years.

13 (B) STAGGERED TERMS.—The Secretary
14 may appoint members to the Committee for dif-
15 fering term lengths to ensure continuity in the
16 functioning of the Committee.

17 (C) REAPPOINTMENTS.—A member of the
18 Committee whose term is expiring may be re-
19 appointed.

20 (3) CHAIRPERSON.—The Committee shall have
21 a chairperson, who shall be elected by and from the
22 members.

23 (d) REVIEW.—The Committee shall review and make
24 recommendations to the Secretary on the implementation
25 of programs and activities under this title.

1 (e) RESPONSE.—

2 (1) IN GENERAL.—The Secretary shall consider
3 and may adopt any recommendation of the Com-
4 mittee under subsection (c).

5 (2) BIENNIAL REPORT.—

6 (A) IN GENERAL.—Not later than 2 years
7 after the date of enactment of this Act and
8 every 2 years thereafter, the Secretary shall
9 submit to the appropriate committees of Con-
10 gress a report describing any new recommenda-
11 tions of the Committee.

12 (B) CONTENTS.—The report shall in-
13 clude—

14 (i) a description of the manner in
15 which the Secretary has implemented or
16 plans to implement the recommendations
17 of the Committee; or

18 (ii) an explanation of the reason that
19 a recommendation of the Committee has
20 not been implemented.

21 (C) TIMING.—The report described in this
22 paragraph shall be submitted by the Secretary
23 at the same time the President submits the
24 budget proposal for the Department of Energy
25 to Congress.

1 (f) COORDINATION.—The Committee shall—

2 (1) hold joint annual meetings with the Hydro-
3 gen and Fuel Cell Technical Advisory Committee es-
4 tablished by section 807 of the Energy Policy Act of
5 2005 (42 U.S.C. 16156) to help coordinate the work
6 and recommendations of the Committees; and

7 (2) coordinate efforts, to the maximum extent
8 practicable, with all existing independent, depart-
9 mental, and other advisory Committees, as deter-
10 mined to be appropriate by the Secretary.

11 (g) SUPPORT.—The Secretary shall provide to the
12 Committee the resources necessary to carry out this sec-
13 tion, as determined to be necessary by the Secretary.

14 **SEC. 335. PLUG-IN ELECTRIC DRIVE VEHICLE INTER-**
15 **AGENCY TASK FORCE.**

16 (a) IN GENERAL.—Not later than 120 days after the
17 date of enactment of this Act, the President shall establish
18 the Plug-in Electric Drive Vehicle Interagency Task
19 Force, to be chaired by the Secretary and which shall con-
20 sist of at least 1 representative from each of—

21 (1) the Office of Science and Technology Policy;

22 (2) the Council on Environmental Quality;

23 (3) the Department of Energy;

24 (4) the Department of Transportation;

25 (5) the Department of Defense;

1 (6) the Department of Commerce (including the
2 National Institute of Standards and Technology);
3 (7) the Environmental Protection Agency;
4 (8) the General Services Administration; and
5 (9) any other Federal agencies that the Presi-
6 dent determines to be appropriate.

7 (b) MISSION.—The mission of the Task Force shall
8 be to ensure awareness, coordination, and integration of
9 the activities of the Federal Government relating to plug-
10 in electric drive vehicles, including—

11 (1) plug-in electric drive vehicle research and
12 development (including necessary components);

13 (2) the development of widely accepted smart-
14 grid standards and protocols for charging infrastruc-
15 ture;

16 (3) the relationship of plug-in electric drive ve-
17 hicle charging practices to electric utility regulation;

18 (4) the relationship of plug-in electric drive ve-
19 hicle deployment to system reliability and security;

20 (5) the general deployment of plug-in electric
21 drive vehicles in the Federal, State, and local gov-
22 ernments and for private use;

23 (6) the development of uniform codes, stand-
24 ards, and safety protocols for plug-in electric drive
25 vehicles and charging infrastructure; and

1 (7) the alignment of international plug-in elec-
2 tric drive vehicle standards.

3 (c) ACTIVITIES.—

4 (1) IN GENERAL.—In carrying out this section,
5 the Task Force may—

6 (A) organize workshops and conferences;

7 (B) issue publications; and

8 (C) create databases.

9 (2) MANDATORY ACTIVITIES.—In carrying out
10 this section, the Task Force shall—

11 (A) foster the exchange of generic, non-
12 proprietary information and technology among
13 industry, academia, and the Federal Govern-
14 ment;

15 (B) integrate and disseminate technical
16 and other information made available as a re-
17 sult of the programs and activities under this
18 title;

19 (C) support education about plug-in elec-
20 tric drive vehicles;

21 (D) monitor, analyze, and report on the ef-
22 fects of plug-in electric drive vehicle deployment
23 on the environment and public health, including
24 air emissions from vehicles and electricity gen-
25 erating units; and

1 (E) review and report on—

2 (i) opportunities to use Federal pro-
3 grams (including laws, regulations, and
4 guidelines) to promote the deployment of
5 plug-in electric drive vehicles; and

6 (ii) any barriers to the deployment of
7 plug-in electric drive vehicles, including
8 barriers that are attributable to Federal
9 programs (including laws, regulations, and
10 guidelines).

11 (d) AGENCY COOPERATION.—A Federal agency—

12 (1) shall cooperate with the Task Force; and

13 (2) provide, on request of the Task Force, ap-
14 propriate assistance in carrying out this section, in
15 accordance with applicable Federal laws (including
16 regulations).

1 **TITLE IV—TRANSPORTATION**
 2 **INFRASTRUCTURE**
 3 **Subtitle A—Transportation Options**
 4 **for Families and Businesses**

5 **SEC. 401. OIL SAVINGS AND GREENHOUSE GAS EMISSION**
 6 **REDUCTIONS THROUGH TRANSPORTATION**
 7 **EFFICIENCY.**

8 (a) ENVIRONMENTAL PROTECTION AGENCY.—Part
 9 A of title II of the Clean Air Act (42 U.S.C. 7521 et seq.)
 10 is amended by adding at the end the following:

11 **“SEC. 220. OIL SAVINGS AND GREENHOUSE GAS EMISSION**
 12 **REDUCTIONS THROUGH TRANSPORTATION**
 13 **EFFICIENCY.**

14 “(a) IN GENERAL.—The Administrator, in consulta-
 15 tion with the Secretary of Transportation (referred to in
 16 this section as the ‘Secretary’), shall promulgate, and up-
 17 date from time to time, regulations to establish—

18 “(1) national transportation-related goals for
 19 reducing oil consumption and greenhouse gas emis-
 20 sions that are commensurate with the emission re-
 21 duction targets established under the Oil Independ-
 22 ence for a Stronger America Act of 2011 and the
 23 amendments made by that Act;

24 “(2) standardized models and related methods,
 25 to be used by States, metropolitan planning organi-

1 zations, and air quality agencies to address oil sav-
2 ings and emission reduction goals, including—

3 “(A) the development of surface transpor-
4 tation-related oil savings and greenhouse gas
5 emission reduction targets pursuant to sections
6 134 and 135 of title 23, and sections 5303 and
7 5304 of title 49, United States Code;

8 “(B) the assessment of projected surface
9 transportation-related oil consumption and
10 greenhouse gas emissions from transportation
11 strategies;

12 “(C) the assessment of projected surface
13 transportation-related oil consumption and
14 greenhouse gas emissions from State and re-
15 gional transportation plans;

16 “(D) the establishment of surface trans-
17 portation-related oil consumption and green-
18 house gas emission baselines at national, State,
19 and regional levels; and

20 “(E) the measurement and assessment of
21 actual surface transportation-related oil con-
22 sumption and emissions to assess progress to-
23 ward achievement of oil savings and emission
24 targets at the State and regional levels;

1 “(3) methods for collection of data on transpor-
2 tation-related oil consumption and greenhouse gas
3 emissions; and

4 “(4) publication and distribution of successful
5 strategies employed by States, Indian tribes, metro-
6 politan planning organizations, and other entities to
7 reduce transportation-related oil consumption and
8 greenhouse gas emissions.

9 “(b) ROLE OF DEPARTMENT OF TRANSPOR-
10 TATION.—The Secretary, in consultation with the Admin-
11 istrator, shall promulgate, and update from time to time,
12 regulations—

13 “(1) to improve the ability of transportation
14 planning models and tools, including travel demand
15 models, to address oil consumption and greenhouse
16 gas emissions;

17 “(2) to assess projected surface transportation-
18 related travel activity and transportation strategies
19 from State and regional transportation plans; and

20 “(3) to update transportation planning require-
21 ments and approval of transportation plans as nec-
22 essary to carry out this section.

23 “(c) CONSULTATION AND MODELS.—In promul-
24 gating the regulations, the Administrator and the Sec-
25 retary—

1 “(1) shall consult with States, Indian tribes,
2 metropolitan planning organizations, and air quality
3 agencies;

4 “(2) may use existing models and methodolo-
5 gies if the models and methodologies are widely con-
6 sidered to reflect the best practicable modeling or
7 methodological approach for assessing actual and
8 projected transportation-related oil consumption and
9 greenhouse gas emissions from transportation plans
10 and projects; and

11 “(3) shall consider previously developed plans
12 that were based on models and methodologies for re-
13 ducing oil consumption and greenhouse gas emis-
14 sions in applying those regulations to the first ap-
15 provals after promulgation.

16 “(d) TIMING.—The Administrator and the Secretary
17 shall—

18 “(1) publish proposed regulations under sub-
19 sections (a) and (b) not later than 1 year after the
20 date of enactment of this section; and

21 “(2) promulgate final regulations under sub-
22 sections (a) and (b) not later than 18 months after
23 the date of enactment of this section.

24 “(e) ASSESSMENT.—

1 “(1) IN GENERAL.—At least every 6 years after
2 promulgating final regulations under subsections (a)
3 and (b), the Administrator and the Secretary shall
4 jointly assess current and projected progress in re-
5 ducing national transportation-related oil consump-
6 tion and greenhouse gas emissions.

7 “(2) REQUIREMENTS.—The assessment shall—

8 “(A) examine the contributions to emission
9 reductions attributable to—

10 “(i) improvements in vehicle effi-
11 ciency;

12 “(ii) greenhouse gas performance of
13 transportation fuels;

14 “(iii) reductions in vehicle miles trav-
15 eled;

16 “(iv) changes in consumer demand
17 and use of transportation management sys-
18 tems; and

19 “(v) any other greenhouse gas-related
20 transportation policies enacted by Con-
21 gress; and

22 “(B) include an analysis of the impact of
23 the investments made by each State and metro-
24 politan planning organization through the appli-
25 cable statewide transportation improvement

1 program and transportation improvement pro-
 2 gram, respectively, over the most recent 6-year
 3 period on reducing transportation-related green-
 4 house gas emissions and oil consumption.

5 “(3) STATE DEPARTMENTS OF TRANSPOR-
 6 TATION.—The Secretary shall issue guidance to es-
 7 tablish procedures for State departments of trans-
 8 portation to collect and report the data required for
 9 the Secretary to carry out the assessment.

10 “(4) RESULTS OF ASSESSMENT.—The Sec-
 11 retary and the Administrator shall consider—

12 “(A) the results of the assessment con-
 13 ducted under this subsection; and

14 “(B) based on those results, whether tech-
 15 nical or other updates to regulations required
 16 under this section and sections 134 and 135 of
 17 title 23, and sections 5303 and 5304 of title 49,
 18 United States Code, are necessary.”.

19 (b) METROPOLITAN PLANNING ORGANIZATIONS.—

20 (1) TITLE 23.—Section 134 of title 23, United
 21 States Code, is amended—

22 (A) in subsection (a)(1)—

23 (i) by striking “minimizing” and in-
 24 serting “reducing”; and

1 (ii) by inserting “, reliance on oil, im-
2 pacts on the environment, transportation-
3 related greenhouse gas emissions,” after
4 “consumption”;

5 (B) in subsection (h)(1)(E)—

6 (i) by inserting “sustainability, and
7 livability, reduce surface transportation-re-
8 lated reliance on oil and greenhouse gas
9 emissions, adapt to the effects of climate
10 change,” after “energy conservation,”;

11 (ii) by inserting “and public health”
12 after “quality of life”; and

13 (iii) by inserting “, including housing
14 and land use patterns” after “development
15 patterns”;

16 (C) in subsection (i)—

17 (i) in paragraph (4)(A)—

18 (I) by striking “consult, as ap-
19 propriate,” and inserting “cooperate”;

20 (II) by inserting “transportation,
21 public transportation, air quality, en-
22 ergy, and housing, and shall consult,
23 as appropriate, with State and local
24 agencies and Indian tribes responsible
25 for” after “responsible for” and

- 1 (III) by inserting “public
2 health,” after “conservation,”; and
3 (ii) in paragraph (5)(C)(iii), by insert-
4 ing “and through the Web site of the met-
5 ropolitan planning organization, including
6 oil savings and emission reduction targets
7 and strategies developed under subsection
8 (k)(6), including an analysis of the antici-
9 pated effects of the targets and strate-
10 gies,” after “World Wide Web”;
- 11 (D) in subsection (j)(5)(A), by striking
12 “subsection (k)(4)” and inserting “subsection
13 (k)(5)”;
- 14 (E) in subsection (k)—
- 15 (i) by redesignating paragraphs (1)
16 through (5) as paragraphs (2) through (6),
17 respectively;
- 18 (ii) by inserting before paragraph (2)
19 (as so redesignated) the following:
20 “(1) DEFINITIONS.—In this subsection:
21 “(A) METROPOLITAN PLANNING ORGANI-
22 ZATION.—The term ‘metropolitan planning or-
23 ganization’ means a metropolitan planning or-
24 ganization described in clause (i) or (ii) of para-
25 graph (7)(B).

1 “(B) SCENARIO ANALYSIS.—The term ‘sce-
2 nario analysis’ means the use of a planning tool
3 that—

4 “(i) develops a range of scenarios rep-
5 resenting various combinations of transpor-
6 tation strategies, land use strategies, and
7 development patterns, estimates of how
8 each of those scenarios would perform in
9 meeting the oil savings and greenhouse gas
10 emission reduction targets based on anal-
11 ysis of various forces (such as health,
12 transportation, economic or environmental
13 factors, and land use) that affect growth;

14 “(ii) includes features such as—

15 “(I) the involvement of the gen-
16 eral public, key stakeholders, and
17 elected officials on a broad scale;

18 “(II) the creation of an oppor-
19 tunity for those participants to edu-
20 cate each other as to growth trends
21 and trade-offs, as a means to incor-
22 porate values and feedback into future
23 plans; and

24 “(III) the use of continuing ef-
25 forts and ongoing processes; and

1 “(iii) may include key elements such
2 as—

3 “(I) identification of the consid-
4 erations shaping planning decisions
5 and outcomes;

6 “(II) determination of patterns
7 of interaction;

8 “(III) creation of scenarios for
9 discussion purposes;

10 “(IV) analysis of implications;

11 “(V) evaluation of scenarios; and

12 “(VI) use of monitoring indica-
13 tors.”; and

14 (iii) by adding at the end the fol-
15 lowing:

16 “(7) TRANSPORTATION OIL SAVINGS AND
17 GREENHOUSE GAS REDUCTION EFFORTS.—

18 “(A) IN GENERAL.—Within a metropolitan
19 planning area serving a transportation manage-
20 ment area, the transportation planning process
21 under this section shall address transportation-
22 related oil consumption and greenhouse gas
23 emissions by including oil savings and emission
24 reduction targets and strategies to meet those
25 targets.

1 “(B) ELIGIBLE ORGANIZATIONS.—

2 “(i) MPOS WITHIN TMAS.—All provi-
3 sions and requirements of this section, in-
4 cluding the requirements for transpor-
5 tation oil savings and greenhouse gas re-
6 duction efforts, shall apply to metropolitan
7 planning organizations that also serve as
8 transportation management areas.

9 “(ii) OTHER MPOS.—A metropolitan
10 planning organization that does not serve
11 as a transportation management area—

12 “(I) may develop transportation
13 oil savings and greenhouse gas emis-
14 sion reduction targets and strategies
15 to meet those targets; and

16 “(II) if those targets and strate-
17 gies are developed, shall be subject to
18 all applicable provisions and require-
19 ments of this section and the Oil
20 Independence for a Stronger America
21 Act of 2011 and amendments made
22 by that Act, including requirements of
23 the transportation oil savings and
24 greenhouse gas reduction efforts.

1 “(C) ESTABLISHMENT OF TARGETS AND
2 CRITERIA.—

3 “(i) IN GENERAL.—Not later than 2
4 years after the promulgation of the final
5 regulations required under section 220 of
6 the Clean Air Act, each metropolitan plan-
7 ning organization that also serves as a
8 transportation management area shall de-
9 velop surface transportation-related oil sav-
10 ings and greenhouse gas emission reduc-
11 tion targets, as well as strategies to meet
12 those targets, in consultation with State
13 air agencies and Indian tribes as part of
14 the metropolitan transportation planning
15 process under this section.

16 “(ii) MULTIPLE DESIGNATIONS.—If
17 more than 1 metropolitan planning organi-
18 zation has been designated within a metro-
19 politan area, each metropolitan planning
20 organization shall coordinate with other
21 metropolitan planning organizations in the
22 same metropolitan area to develop the tar-
23 gets and strategies described in clause (i).

24 “(iii) MINIMUM REQUIREMENTS.—
25 Each metropolitan transportation plan de-

1 developed by a metropolitan planning organi-
2 zation under clause (i) shall, within the
3 plan, demonstrate progress in stabilizing
4 and reducing transportation-related oil
5 consumption and greenhouse gas emissions
6 so as to contribute to the achievement of
7 State targets pursuant to section
8 135(f)(9).

9 “(iv) REQUIREMENTS FOR TARGETS
10 AND STRATEGIES.—The targets and strat-
11 egies developed as part of a plan under
12 this subparagraph shall, at a minimum—

13 “(I) be based on the oil consump-
14 tion and emission and travel demand
15 models and related methodologies es-
16 tablished in the final regulations re-
17 quired under section 220 of the Clean
18 Air Act;

19 “(II) inventory all sources of sur-
20 face transportation-related oil con-
21 sumption and greenhouse gas emis-
22 sions;

23 “(III) apply to those modes of
24 surface transportation that are ad-

1 dressed in the planning process under
2 this section;

3 “(IV) be integrated and con-
4 sistent with regional transportation
5 plans and transportation improvement
6 programs; and

7 “(V) be selected through scenario
8 analysis, and include, pursuant to the
9 requirements of the transportation
10 planning process under this section,
11 transportation investment and man-
12 agement strategies that reduce oil
13 consumption and greenhouse gas
14 emissions from the transportation sec-
15 tor over the life of the plan, such as—

16 “(aa) efforts to increase
17 public transportation ridership,
18 including through service im-
19 provements, capacity expansions,
20 and access enhancement;

21 “(bb) efforts to increase
22 walking, bicycling, and other
23 forms of nonmotorized transpor-
24 tation;

1 “(cc) implementation of zon-
2 ing and other land use regula-
3 tions and plans to support infill,
4 transit-oriented development, re-
5 development, or mixed use devel-
6 opment;

7 “(dd) travel demand man-
8 agement programs (including
9 carpool, vanpool, or car-share
10 projects), transportation pricing
11 measures, parking policies, and
12 programs to promote telecom-
13 muting, flexible work schedules,
14 and satellite work centers;

15 “(ee) highway and transit
16 operational improvements, includ-
17 ing intelligent transportation sys-
18 tems or other operational im-
19 provements to reduce long-term
20 oil consumption and greenhouse
21 gas emissions through reduced
22 congestion and improved system
23 management;

24 “(ff) intercity passenger rail
25 improvements;

- 1 “(gg) high-speed rail im-
2 provements and programs;
- 3 “(hh) intercity bus improve-
4 ments;
- 5 “(ii) freight rail improve-
6 ments;
- 7 “(jj) use of materials or
8 equipment associated with the
9 construction or maintenance of
10 transportation projects that re-
11 duce oil consumption and green-
12 house gas emissions;
- 13 “(kk) public facilities for
14 supplying electricity to electric or
15 plug-in hybrid-electric vehicles;
- 16 “(ll) local street network im-
17 provements; and
- 18 “(mm) any other effort that
19 demonstrates progress in reduc-
20 ing transportation-related oil con-
21 sumption and greenhouse gas
22 emissions in each metropolitan
23 planning organization under this
24 subsection.

1 “(v) IDENTIFICATION OF PROJECTS
2 AND STRATEGIES.—The plan developed
3 under this section shall include a list of
4 projects and strategies based on the tar-
5 gets and strategies identified under clause
6 (iv).

7 “(D) REVIEW AND APPROVAL.—Not later
8 than 180 days after the date of submission of
9 a plan under this section—

10 “(i) the Secretary and the Adminis-
11 trator shall review the plan; and

12 “(ii) the Secretary shall make a deter-
13 mination that the plan submitted by a met-
14 ropolitan planning organization meets the
15 requirements of subparagraph (C) if—

16 “(I) the Secretary finds that a
17 metropolitan planning organization
18 has developed, submitted, and pub-
19 lished the plan of the metropolitan
20 planning organization pursuant to this
21 section;

22 “(II) the Secretary, in consulta-
23 tion with the Administrator, deter-
24 mines that the plan is likely to achieve
25 the targets established by the metro-

1 politan planning organization under
2 this subsection; and

3 “(III) the development of the
4 plan complies with the minimum re-
5 quirements established under clauses
6 (iii) and (iv) of subparagraph (C).

7 “(E) CERTIFICATION.—

8 “(i) IN GENERAL.—Only metropolitan
9 planning organizations that meet the re-
10 quirements of subparagraph (C) shall be
11 eligible to receive performance grants
12 under section 402(c) of the Oil Independ-
13 ence for a Stronger America Act of 2011.

14 “(ii) FAILURE TO COMPLY.—Failure
15 to comply with the requirements under
16 subparagraph (C) shall not impact certifi-
17 cation standards under paragraph (6).”.

18 (2) TITLE 49.—Section 5303 of title 49, United
19 States Code, is amended—

20 (A) in subsection (a)(1)—

21 (i) by striking “minimizing” and in-
22 serting “reducing”; and

23 (ii) by inserting “, reliance on oil, im-
24 pacts on the environment, transportation-

1 related greenhouse gas emissions,” after
2 “consumption”;

3 (B) in subsection (h)(1)(E)—

4 (i) by inserting “sustainability, and
5 livability, reduce surface transportation-re-
6 lated reliance on oil and greenhouse gas
7 emissions, adapt to the effects of climate
8 change,” after “energy conservation,”;

9 (ii) by inserting “and public health”
10 after “quality of life”; and

11 (iii) by inserting “, including housing
12 and land use patterns” after “development
13 patterns”;

14 (C) in subsection (i)—

15 (i) in paragraph (4)(A)—

16 (I) by striking “consult, as ap-
17 propriate,” and inserting “cooperate”;

18 (II) by inserting “transportation,
19 public transportation, air quality, en-
20 ergy, and housing, and shall consult,
21 as appropriate, with State and local
22 agencies and Indian tribes responsible
23 for” after “responsible for” and

24 (III) by inserting “public
25 health,” after “conservation,”; and

1 (ii) in paragraph (5)(C)(iii), by insert-
 2 ing “and through the Web site of the met-
 3 ropolitan planning organization, including
 4 oil savings and emission reduction targets
 5 and strategies developed under subsection
 6 (k)(6), including an analysis of the antici-
 7 pated effects of the targets and strate-
 8 gies,” after “World Wide Web”; and
 9 (D) in subsection (k)—

10 (i) by redesignating paragraphs (1)
 11 through (5) as paragraphs (2) through (6),
 12 respectively;

13 (ii) by inserting before paragraph (2)
 14 (as so redesignated) the following:

15 “(1) DEFINITION OF METROPOLITAN PLANNING
 16 ORGANIZATION.—In this subsection, the term ‘met-
 17 ropolitan planning organization’ means a metropoli-
 18 tan planning organization described in clause (i) or
 19 (ii) of paragraph (7)(B).”; and

20 (iii) by adding at the end the fol-
 21 lowing:

22 “(7) TRANSPORTATION OIL SAVINGS AND
 23 GREENHOUSE GAS REDUCTION EFFORTS.—

24 “(A) IN GENERAL.—Within a metropolitan
 25 planning area serving a transportation manage-

1 ment area, the transportation planning process
2 under this section shall address transportation-
3 related oil consumption and greenhouse gas
4 emissions by including oil savings and emission
5 reduction targets and strategies to meet those
6 targets.

7 “(B) ELIGIBLE ORGANIZATIONS.—

8 “(i) IN GENERAL.—The requirements
9 of the transportation greenhouse gas re-
10 duction efforts shall apply only to metro-
11 politan planning organizations within a
12 transportation management area.

13 “(ii) DEVELOPMENT OF PLAN.—A
14 metropolitan planning organization that
15 does not serve as a transportation manage-
16 ment area—

17 “(I) may develop transportation
18 oil savings and greenhouse gas emis-
19 sion reduction targets and strategies
20 to meet those targets; and

21 “(II) if those targets and strate-
22 gies are developed, shall be subject to
23 all provisions and requirements of this
24 section, including requirements of the

1 transportation oil savings and green-
2 house gas reduction efforts.

3 “(C) ESTABLISHMENT OF TARGETS AND
4 CRITERIA.—

5 “(i) IN GENERAL.—Not later than 2
6 years after the promulgation of the final
7 regulations required under section 220 of
8 the Clean Air Act, each metropolitan plan-
9 ning organization shall develop surface
10 transportation-related oil savings and
11 greenhouse gas emission reduction targets,
12 as well as strategies to meet those targets,
13 in consultation with State air agencies and
14 Indian tribes as part of the metropolitan
15 transportation planning process under this
16 section.

17 “(ii) MULTIPLE DESIGNATIONS.—If
18 more than 1 metropolitan planning organi-
19 zation has been designated within a metro-
20 politan area, each metropolitan planning
21 organization shall coordinate with other
22 metropolitan planning organizations in the
23 same metropolitan area to develop the tar-
24 gets and strategies described in clause (i).

1 “(iii) MINIMUM REQUIREMENTS.—
2 Each metropolitan transportation plan de-
3 veloped by a metropolitan planning organi-
4 zation under clause (i) shall, within the
5 plan, demonstrate progress in stabilizing
6 and reducing transportation-related oil
7 consumption and greenhouse gas emissions
8 so as to contribute to the achievement of
9 State targets pursuant to section 135(f)(9)
10 of title 23.

11 “(iv) REQUIREMENTS FOR TARGETS
12 AND STRATEGIES.—The targets and strat-
13 egies developed as part of a plan under
14 this subparagraph shall, at a minimum—

15 “(I) be based on the oil consump-
16 tion and emission models and related
17 methodologies established in the final
18 regulations required under section
19 220 of the Clean Air Act;

20 “(II) inventory all sources of sur-
21 face transportation-related oil con-
22 sumption and greenhouse gas emis-
23 sions;

24 “(III) apply to those modes of
25 surface transportation that are ad-

1 dressed in the planning process under
2 this section;

3 “(IV) be integrated and con-
4 sistent with regional transportation
5 plans and transportation improvement
6 programs; and

7 “(V) be selected through scenario
8 analysis (as defined in section
9 134(k)(1) of title 23), and include,
10 pursuant to the requirements of the
11 transportation planning process under
12 this section, transportation investment
13 and management strategies that re-
14 duce oil consumption and greenhouse
15 gas emissions from the transportation
16 sector over the life of the plan, such
17 as—

18 “(aa) efforts to increase
19 public transportation ridership,
20 including through service im-
21 provements, capacity expansions,
22 and access enhancement;

23 “(bb) efforts to increase
24 walking, bicycling, and other

1 forms of nonmotorized transpor-
2 tation;

3 “(cc) implementation of zon-
4 ing and other land use regula-
5 tions and plans to support infill,
6 transit-oriented development, re-
7 development, or mixed use devel-
8 opment;

9 “(dd) travel demand man-
10 agement programs (including
11 carpool, vanpool, or car-share
12 projects), transportation pricing
13 measures, parking policies, and
14 programs to promote telecom-
15 muting, flexible work schedules,
16 and satellite work centers;

17 “(ee) highway and transit
18 operational improvements, includ-
19 ing intelligent transportation sys-
20 tems or other operational im-
21 provements to reduce long-term
22 oil consumption and greenhouse
23 gas emissions through reduced
24 congestion and improved system
25 management;

1 “(ff) intercity passenger rail
2 improvements;

3 “(gg) high-speed rail im-
4 provements and programs;

5 “(hh) intercity bus improve-
6 ments;

7 “(ii) freight rail improve-
8 ments;

9 “(jj) use of materials or
10 equipment associated with the
11 construction or maintenance of
12 transportation projects that re-
13 duce oil consumption and green-
14 house gas emissions;

15 “(kk) public facilities for
16 supplying electricity to electric or
17 plug-in hybrid-electric vehicles;

18 “(ll) local street network im-
19 provements; and

20 “(mm) any other effort that
21 demonstrates progress in reduc-
22 ing transportation-related oil con-
23 sumption and greenhouse gas
24 emissions in each metropolitan

1 planning organization under this
2 subsection.

3 “(v) IDENTIFICATION OF PROJECTS
4 AND STRATEGIES.—The plan developed
5 under this section shall include a list of
6 projects and strategies based on the tar-
7 gets and strategies identified under clause
8 (iv).

9 “(D) REVIEW AND APPROVAL.—Not later
10 than 180 days after the date of submission of
11 a plan under this section—

12 “(i) the Secretary and the Adminis-
13 trator shall review the plan; and

14 “(ii) the Secretary shall make a deter-
15 mination that the plan submitted by a met-
16 ropolitan planning organization meets the
17 requirements of subparagraph (C) if—

18 “(I) the Secretary finds that a
19 metropolitan planning organization
20 has developed, submitted, and pub-
21 lished the plan of the metropolitan
22 planning organization pursuant to this
23 section;

24 “(II) the Secretary, in consulta-
25 tion with the Administrator, deter-

1 mines that the plan is likely to achieve
 2 the targets established by the metro-
 3 politan planning organization under
 4 this subsection; and

5 “(III) the development of the
 6 plan complies with the minimum re-
 7 quirements established under clauses
 8 (iii) and (iv) of subparagraph (C).

9 “(E) CERTIFICATION.—

10 “(i) IN GENERAL.—Only metropolitan
 11 planning organizations that meet the re-
 12 quirements of subparagraph (C) shall be
 13 eligible to receive performance grants
 14 under section 402(c) of the Oil Independ-
 15 ence for a Stronger America Act of 2011.

16 “(ii) FAILURE TO COMPLY.—Failure
 17 to comply with the requirements under
 18 subparagraph (C) shall not impact certifi-
 19 cation standards under paragraph (6).”.

20 (c) STATES.—

21 (1) TITLE 23.—Section 135 of title 23, United
 22 States Code, is amended—

23 (A) in subsection (d)(1)(E)—

24 (i) by inserting “sustainability, and
 25 livability, reduce surface transportation-re-

1 lated oil consumption and greenhouse gas
2 emissions, adapt to the effects of climate
3 change,” after “energy conservation,”;

4 (ii) by inserting “and public health”
5 after “quality of life”; and

6 (iii) by inserting “, including housing
7 and land use patterns” after “development
8 patterns”; and

9 (B) in subsection (f)—

10 (i) in paragraph (2)(D)(i)—

11 (I) by striking “, as appropriate,
12 in consultation” and inserting “in co-
13 operation”;

14 (II) by inserting “State and local
15 agencies and Indian tribes responsible
16 for transportation, public transpor-
17 tation, air quality, energy, and hous-
18 ing and in consultation with” before
19 “State, tribal”; and

20 (III) by inserting “public
21 health,” after “conservation,”;

22 (ii) in paragraph (3)(B)(iii), by insert-
23 ing “and through the Web site of the
24 State, including oil savings and emission
25 reduction targets and strategies developed

1 under paragraph (9) and an analysis of the
2 anticipated effects of the targets and strat-
3 egies” after “World Wide Web”; and

4 (iii) by adding at the end the fol-
5 lowing:

6 “(9) TRANSPORTATION OIL SAVINGS AND
7 GREENHOUSE GAS REDUCTION EFFORTS.—

8 “(A) IN GENERAL.—Within a State, the
9 transportation planning process under this sec-
10 tion, shall address transportation-related green-
11 house gas emissions by including emission re-
12 duction targets and strategies to meet those
13 targets.

14 “(B) ESTABLISHMENT OF TARGETS AND
15 CRITERIA.—

16 “(i) IN GENERAL.—Not later than 2
17 years after the promulgation of the final
18 regulations required under section 220 of
19 the Clean Air Act, each State shall develop
20 surface transportation-related oil savings
21 and greenhouse gas emission reduction tar-
22 gets, as well as strategies to meet those
23 targets, in consultation with State air
24 agencies and Indian tribes as part of the

1 transportation planning process under this
2 section.

3 “(ii) MINIMUM REQUIREMENTS.—

4 Each transportation plan developed by a
5 State under clause (i) shall, within the
6 plan, demonstrate progress in stabilizing
7 and reducing transportation-related oil
8 consumption and greenhouse gas emissions
9 in the State so as to contribute to the
10 achievement of national goals pursuant to
11 section 220(a)(1) of the Clean Air Act.

12 “(iii) REQUIREMENTS FOR TARGETS

13 AND STRATEGIES.—The targets and strat-
14 egies developed as part of a plan under
15 this subparagraph shall, at a minimum—

16 “(I) be based on the oil consump-

17 tion and emission models and related
18 methodologies established in the final
19 regulations required under section
20 220 of the Clean Air Act;

21 “(II) inventory all sources of sur-

22 face transportation-related oil con-
23 sumption and greenhouse gas emis-
24 sions;

1 “(III) apply to those modes of
2 surface transportation that are ad-
3 dressed in the planning process under
4 this section;

5 “(IV) be integrated and con-
6 sistent with statewide transportation
7 plans and statewide transportation
8 improvement programs; and

9 “(V) be selected through scenario
10 analysis (as defined in section
11 134(k)(1)), and include, pursuant to
12 the requirements of the transportation
13 planning process under this section,
14 transportation investment and man-
15 agement strategies that reduce oil
16 consumption and greenhouse gas
17 emissions from the transportation sec-
18 tor over the life of the plan, such as—

19 “(aa) efforts to increase
20 public transportation ridership,
21 including through service im-
22 provements, capacity expansions,
23 and access enhancement;

24 “(bb) efforts to increase
25 walking, bicycling, and other

1 forms of nonmotorized transpor-
2 tation;

3 “(cc) implementation of zon-
4 ing and other land use regula-
5 tions and plans to support infill,
6 transit-oriented development, re-
7 development, or mixed use devel-
8 opment;

9 “(dd) travel demand man-
10 agement programs (including
11 carpool, vanpool, or car-share
12 projects), transportation pricing
13 measures, parking policies, and
14 programs to promote telecom-
15 muting, flexible work schedules,
16 and satellite work centers;

17 “(ee) highway and transit
18 operational improvements, includ-
19 ing intelligent transportation sys-
20 tems or other operational im-
21 provements to reduce congestion
22 and improve system manage-
23 ment;

24 “(ff) intercity passenger rail
25 improvements;

1 “(gg) high-speed rail im-
2 provements and programs;

3 “(hh) intercity bus improve-
4 ments;

5 “(ii) freight rail improve-
6 ments;

7 “(jj) use of materials or
8 equipment associated with the
9 construction or maintenance of
10 transportation projects that re-
11 duce oil consumption and green-
12 house gas emissions;

13 “(kk) public facilities for
14 supplying electricity to electric or
15 plug-in hybrid-electric vehicles;

16 “(ll) local street network im-
17 provements; and

18 “(mm) any other effort that
19 demonstrates progress in reduc-
20 ing transportation-related oil con-
21 sumption and greenhouse gas
22 emissions.

23 “(iv) IDENTIFICATION OF PROJECTS
24 AND STRATEGIES.—The plan developed
25 under this section shall include a list of

1 projects and strategies based on the tar-
2 gets and strategies identified under clause
3 (iii).

4 “(C) COORDINATION AND CONSULTATION
5 WITH PUBLIC AGENCIES.—Transportation oil
6 savings and greenhouse gas emission targets
7 and plans pursuant to this section shall be de-
8 veloped—

9 “(i) in coordination with—

10 “(I) all metropolitan planning or-
11 ganizations covered by this section
12 within the State; and

13 “(II) transportation and air qual-
14 ity agencies within the State;

15 “(ii) in consultation with representa-
16 tives of State and local housing, economic
17 development, energy, and land use agen-
18 cies; and

19 “(iii) in consultation with Indian
20 tribes contiguous to the State.

21 “(D) ENFORCEMENT.—Not later than 180
22 days after the date of submission of a plan
23 under this section—

24 “(i) the Secretary and the Adminis-
25 trator shall review the plan; and

1 “(ii) the Secretary shall make a deter-
2 mination that the plan submitted by a
3 State meets the requirements of subpara-
4 graph (B) if—

5 “(I) the Secretary finds that a
6 State has developed, submitted, and
7 published the plan pursuant to this
8 section;

9 “(II) the Secretary, in consulta-
10 tion with the Administrator, deter-
11 mines that the plan is likely to achieve
12 the targets established by the State
13 under this subsection; and

14 “(III) the development of the
15 plan complies with the minimum re-
16 quirements established under clauses
17 (ii) and (iii) of subparagraph (B).

18 “(E) PLANNING FINDING.—

19 “(i) IN GENERAL.—Only States that
20 meet the requirements of subparagraph
21 (B) shall be eligible to receive performance
22 grants under section 402(c) of the Oil
23 Independence for a Stronger America Act
24 of 2011.

1 “(ii) FAILURE TO COMPLY.—Failure
2 to comply with the requirements under
3 subparagraph (B) shall not impact the
4 planning finding under subsection (g)(7).”.

5 (2) TITLE 49.—Section 5304 of title 49, United
6 States Code is amended—

7 (A) in subsection (d)(1)(E)—

8 (i) by inserting “sustainability, and
9 livability, reduce surface transportation-re-
10 lated oil consumption and greenhouse gas
11 emissions, adapt to the effects of climate
12 change,” after “energy conservation,”;

13 (ii) by inserting “and public health”
14 after “quality of life”; and

15 (iii) by inserting “, including housing
16 and land use patterns” after “development
17 patterns”; and

18 (B) in subsection (f)—

19 (i) in paragraph (2)(D)(i)—

20 (I) by striking “, as appropriate,
21 in consultation” and inserting “in co-
22 operation”;

23 (II) by inserting “State and local
24 agencies and Indian tribes responsible
25 for transportation, public transpor-

1 tation, air quality, and housing and in
2 consultation with” before “State, trib-
3 al”; and

4 (III) by inserting “public
5 health,” after “conservation,”;

6 (ii) in paragraph (3)(B)(iii), by insert-
7 ing “and through the Web site of the
8 State, including oil savings and emission
9 reduction targets and strategies developed
10 under paragraph (9) and an analysis of the
11 anticipated effects of the targets and strat-
12 egies” after “World Wide Web”; and

13 (iii) by adding at the end the fol-
14 lowing:

15 “(9) TRANSPORTATION OIL SAVINGS AND
16 GREENHOUSE GAS REDUCTION EFFORTS.—

17 “(A) IN GENERAL.—Within a State, the
18 transportation planning process under this sec-
19 tion shall address transportation-related oil con-
20 sumption and greenhouse gas emissions by in-
21 cluding oil savings and emission reduction tar-
22 gets and strategies to meet those targets.

23 “(B) ESTABLISHMENT OF TARGETS AND
24 CRITERIA.—

1 “(i) IN GENERAL.—Not later than 2
2 years after the promulgation of the final
3 regulations required under section 220 of
4 the Clean Air Act, each State shall develop
5 surface transportation-related oil savings
6 and greenhouse gas emission reduction tar-
7 gets, as well as strategies to meet those
8 targets, in consultation with State air
9 agencies and Indian tribes as part of the
10 transportation planning process under this
11 section.

12 “(ii) MINIMUM REQUIREMENTS.—
13 Each transportation plan developed by a
14 State under clause (i) shall, within the
15 plan, demonstrate progress in stabilizing
16 and reducing transportation-related oil
17 consumption and greenhouse gas emissions
18 in the State so as to contribute to the
19 achievement of national targets pursuant
20 to section 220(a)(1) of the Clean Air Act.

21 “(iii) REQUIREMENTS FOR TARGETS
22 AND STRATEGIES.—The targets and strat-
23 egies developed as part of a plan under
24 this subparagraph shall, at a minimum—

1 “(I) be based on the oil consump-
2 tion and emission models and related
3 methodologies established in the final
4 regulations required under section
5 220 of the Clean Air Act;

6 “(II) inventory all sources of sur-
7 face transportation-related oil con-
8 sumption and greenhouse gas emis-
9 sions;

10 “(III) apply to those modes of
11 surface transportation that are ad-
12 dressed in the planning process under
13 this section;

14 “(IV) be integrated and con-
15 sistent with statewide transportation
16 plans and statewide transportation
17 improvement programs; and

18 “(V) be selected through scenario
19 analysis (as defined in section
20 134(k)(1) of title 23), and include,
21 pursuant to the requirements of the
22 transportation planning process under
23 this section, transportation investment
24 and management strategies that re-
25 duce oil consumption and greenhouse

1 gas emissions from the transportation
2 sector over the life of the plan, such
3 as—

4 “(aa) efforts to increase
5 public transportation ridership,
6 including through service im-
7 provements, capacity expansions,
8 and access enhancement;

9 “(bb) efforts to increase
10 walking, bicycling, and other
11 forms of nonmotorized transpor-
12 tation;

13 “(cc) implementation of zon-
14 ing and other land use regula-
15 tions and plans to support infill,
16 transit-oriented development, re-
17 development, or mixed use devel-
18 opment;

19 “(dd) travel demand man-
20 agement programs (including
21 carpool, vanpool, or car-share
22 projects), transportation pricing
23 measures, parking policies, and
24 programs to promote telecom-

1 muting, flexible work schedules,
2 and satellite work centers;

3 “(ee) highway and transit
4 operational improvements, includ-
5 ing intelligent transportation sys-
6 tems or other operational im-
7 provements to reduce congestion
8 and improve system manage-
9 ment;

10 “(ff) intercity passenger rail
11 improvements;

12 “(gg) high-speed rail im-
13 provements and programs;

14 “(hh) intercity bus improve-
15 ments;

16 “(ii) freight rail improve-
17 ments;

18 “(jj) use of materials or
19 equipment associated with the
20 construction or maintenance of
21 transportation projects that re-
22 duce oil consumption and green-
23 house gas emissions;

24 “(kk) public facilities for
25 supplying electricity to electric or

1 plug-in hybrid-electric vehicles;
2 and

3 “(ll) any other effort that
4 demonstrates progress in reduc-
5 ing transportation-related oil con-
6 sumption and greenhouse gas
7 emissions.

8 “(iv) IDENTIFICATION OF PROJECTS
9 AND STRATEGIES.—The plan developed
10 under this section shall include a list of
11 projects and strategies based on the tar-
12 gets and strategies identified under clause
13 (iii).

14 “(C) COORDINATION AND CONSULTATION
15 WITH PUBLIC AGENCIES.—Transportation oil
16 savings and greenhouse gas targets and plans
17 pursuant to this section shall be developed—

18 “(i) in coordination with—

19 “(I) all metropolitan planning or-
20 ganizations covered by this section
21 within the State; and

22 “(II) transportation and air qual-
23 ity agencies within the State;

24 “(ii) in consultation with representa-
25 tives of State and local housing, economic

1 development, energy, and land use agen-
2 cies; and

3 “(iii) in consultation with Indian
4 tribes contiguous to the State.

5 “(D) ENFORCEMENT.—Not later than 180
6 days after the date of submission of a plan
7 under this section—

8 “(i) the Secretary and the Adminis-
9 trator shall review the plan; and

10 “(ii) the Secretary shall make a deter-
11 mination that the plan submitted by a
12 State meets the requirements of subpara-
13 graph (B) if—

14 “(I) the Secretary finds that a
15 State has developed, submitted, and
16 published the plan pursuant to this
17 section;

18 “(II) the Secretary, in consulta-
19 tion with the Administrator, deter-
20 mines that the plan is likely to achieve
21 the targets established by the State
22 under this subsection; and

23 “(III) the development of the
24 plan complies with the minimum re-

1 requirements established under clauses
2 (ii) and (iii) of subparagraph (B).

3 “(E) PLANNING FINDING.—

4 “(i) IN GENERAL.—Only States that
5 meet the requirements of subparagraph
6 (B) shall be eligible to receive performance
7 grants under section 402(c) of the Oil
8 Independence for a Stronger America Act
9 of 2011.

10 “(ii) FAILURE TO COMPLY.—Failure
11 to comply with the requirements under
12 subparagraph (B) shall not impact the
13 planning finding under subsection (g)(7).”.

14 (d) APPLICABILITY.—Section 304 of the Clean Air
15 Act (42 U.S.C. 7604) shall not apply to the planning pro-
16 visions of this section or any amendment made by this
17 section.

18 (e) LAND USE AUTHORITY.—Nothing in this section
19 or an amendment made by this section—

20 (1) infringes on the existing authority of local
21 governments to plan or control land use; or

22 (2) provides or transfers authority over land
23 use to any other entity.

1 (f) TABLE OF CONTENTS.—The table of contents of
 2 title II of the Clean Air Act (42 U.S.C. prec. 7401) is
 3 amended by adding at the end the following:

“Sec. 220. Greenhouse gas emission reductions through transportation effi-
 ciency.”.

4 **SEC. 402. INVESTING IN TRANSPORTATION GREENHOUSE**
 5 **GAS EMISSION REDUCTION PROGRAMS.**

6 (a) IN GENERAL.—The Secretary of Transportation
 7 (referred to in this section as the “Secretary”) shall dis-
 8 tribute funds made available to carry out this section to
 9 States and metropolitan planning organizations to carry
 10 out the purposes of this section for each fiscal year, includ-
 11 ing—

12 (1) supporting the development and updating of
 13 transportation greenhouse gas reduction targets and
 14 strategies; and

15 (2) providing financial assistance to implement
 16 plans approved pursuant to—

17 (A) sections 134(k)(6) and 135(f)(9) of
 18 title 23, United States Code; and

19 (B) sections 5303(k)(7) and 5304(f)(9) of
 20 title 49, United States Code.

21 (b) ALLOCATION FOR PLANNING.—

22 (1) IN GENERAL.—Subject to paragraph (2),
 23 the Secretary shall distribute not more than 10 per-
 24 cent of the funds available to carry out this section

1 for a fiscal year for metropolitan planning organiza-
2 tions to develop and update transportation plans, in-
3 cluding targets and strategies for greenhouse gas
4 emission reduction under—

5 (A) sections 134(k)(6) and 135(f)(9) of
6 title 23, United States Code; and

7 (B) sections 5303(k)(7) and 5304(f)(9) of
8 title 49, United States Code.

9 (2) ELIGIBLE ORGANIZATIONS.—The Secretary
10 shall distribute the funds available under paragraph
11 (1) to metropolitan planning organizations (as de-
12 fined in section 134(k)(1) of title 23, United States
13 Code) in the proportion that—

14 (A) the population within such a metropoli-
15 tan planning organization; bears to

16 (B) the total population of all such metro-
17 politan planning organizations.

18 (c) PERFORMANCE AWARDS.—

19 (1) IN GENERAL.—After distributing funds pur-
20 suant to subsection (b)(1), and subject to subsection
21 (h), the Secretary shall distribute the remainder of
22 the funds made available to carry out this section to
23 provide support to States and metropolitan planning
24 organizations.

1 (2) CRITERIA.—In making distributions under
2 this subsection, the Secretary, in consultation with
3 the Administrator, shall develop criteria for making
4 the distribution, taking into consideration, with re-
5 spect to areas to be covered by the distributions—

6 (A) the quantity of total oil consumption
7 and greenhouse gas emissions to be reduced as
8 a result of implementation of a plan, within a
9 covered area;

10 (B) the quantity of total oil consumption
11 and greenhouse gas emissions to be reduced per
12 capita as a result of the implementation of a
13 plan, within the covered area;

14 (C) the cost-effectiveness of reducing oil
15 consumption and greenhouse gas emissions dur-
16 ing the life of the plan;

17 (D) progress toward achieving oil savings
18 and emission reductions target established
19 under—

20 (i) sections 134(k)(6) and 135(f)(9) of
21 title 23, United States Code; and

22 (ii) sections 5303(k)(7) and
23 5304(f)(9) of title 49, United States Code;

24 (E) reductions in oil consumption and
25 greenhouse gas emissions previously achieved by

1 States and metropolitan planning organizations
2 during the 5-year period beginning on the date
3 of enactment of this Act;

4 (F) the extent to which the plan increases
5 transportation options and mobility, particularly
6 for low-income individuals, minorities, the elder-
7 ly, households without motor vehicles, cost-bur-
8 dened households, and the disabled;

9 (G) the extent to which projects funded
10 will facilitate development patterns and strate-
11 gies that reduce oil consumption and green-
12 house gas emissions; and

13 (H) other factors, including innovative ap-
14 proaches, minimization of costs, and consider-
15 ation of economic development, revenue genera-
16 tion, consumer fuel cost-savings, and other eco-
17 nomic, environmental, and health benefits, as
18 the Secretary determines to be appropriate.

19 (d) REQUIREMENT FOR REDUCED OIL CONSUMP-
20 TION AND EMISSIONS.—Funds received under subsection
21 (c) may be used only to fund strategies that demonstrate
22 reductions in oil consumption and greenhouse gas emis-
23 sions that are sustainable over the life of the applicable
24 transportation plan.

1 (e) COST-SHARING.—The Federal share of the costs
2 of a project receiving Federal financial assistance under
3 this section shall be 80 percent.

4 (f) COMPLIANCE WITH APPLICABLE LAWS.—

5 (1) IN GENERAL.—Subject to paragraph (2), a
6 project receiving funds under this section shall com-
7 ply with all applicable Federal laws (including regu-
8 lations), including applicable requirements of titles
9 23 and 49, United States Code.

10 (2) ELIGIBILITY.—Project eligibility shall be
11 determined in accordance with this section.

12 (3) DETERMINATION OF APPLICABLE MODAL
13 REQUIREMENTS.—The Secretary shall—

14 (A) have the discretion to designate the
15 specific modal requirements that shall apply to
16 a project; and

17 (B) be guided by the predominant modal
18 characteristics of the project in the event that
19 a project has cross-modal application.

20 (g) ADDITIONAL REQUIREMENTS.—

21 (1) IN GENERAL.—As a condition of the receipt
22 of funds under this section, the interests of public
23 transportation employees affected by the assistance
24 shall be protected under arrangements that the Sec-
25 retary of Labor determines—

1 (A) to be fair and equitable; and

2 (B) to provide benefits equal to the bene-
3 fits established under section 5333(b) of title
4 49, United States Code.

5 (h) MISCELLANEOUS.—

6 (1) ROAD-USE AND CONGESTION PRICING
7 MEASURES.—All projects supported by funds made
8 available under this section shall not be subject to
9 section 301 of title 23, United States Code shall be
10 eligible to receive amounts collected through road-
11 use and congestion pricing measures.

12 (2) LIMITATIONS.—The Administrator may not
13 approve any transportation plan for a project that
14 would be inconsistent with existing design, procure-
15 ment, and construction guidelines established by the
16 Department of Transportation.

17 (3) TRANSFERS.—With the approval of the Sec-
18 retary, recipients of funds under this section may
19 enter into agreements providing for the transfer of
20 funds or value to private transportation providers or
21 ineligible public entities (such as local governments,
22 air quality agencies, zoning commissions, special dis-
23 tricts, and transit agencies) that have statutory re-
24 sponsibility or authority for actions necessary to im-
25 plement strategies pursuant to—

1 (A) sections 134(k)(6) and 135(f)(9) of
2 title 23, United States Code; and

3 (B) sections 5303(k)(7) and 5304(f)(9) of
4 title 49, United States Code.

5 **SEC. 403. COMMUTER BENEFITS EQUITY.**

6 (a) UNIFORM DOLLAR LIMITATION FOR ALL TYPES
7 OF TRANSPORTATION FRINGE BENEFITS.—

8 (1) IN GENERAL.—Section 132(f)(2) of the In-
9 ternal Revenue Code of 1986 (relating to limitation
10 on exclusion) is amended—

11 (A) by striking “\$100” in subparagraph
12 (A) and inserting “\$230”,

13 (B) by striking “\$175” in subparagraph
14 (B) and inserting “\$230”, and

15 (C) by striking the last sentence.

16 (2) INFLATION ADJUSTMENT CONFORMING
17 AMENDMENTS.—Subparagraph (A) of section
18 132(f)(6) of the Internal Revenue Code of 1986 (re-
19 lating to inflation adjustment) is amended—

20 (A) by striking the last sentence,

21 (B) by striking “1999” and inserting
22 “2011”, and

23 (C) by striking “1998” and inserting
24 “2010”.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this section shall apply to taxable years beginning
3 after December 31, 2010.

4 (b) CLARIFICATION OF FEDERAL EMPLOYEE BENE-
5 FITS.—Section 7905 of title 5, United States Code, is
6 amended—

7 (1) in subsection (a)—

8 (A) in paragraph (2)(C), by inserting
9 “and” after the semicolon;

10 (B) in paragraph (3), by striking “; and”
11 and inserting a period; and

12 (C) by striking paragraph (4); and

13 (2) in subsection (b)(2), by striking subpara-
14 graph (A) and inserting the following:

15 “(A) a qualified transportation fringe as
16 defined in section 132(f)(1) of the Internal Rev-
17 enue Code of 1986;”.

18 **Subtitle B—Freight Transportation**

19 **SEC. 411. FREIGHT TRANSPORTATION GOAL AND PLAN.**

20 (a) FREIGHT TRANSPORTATION OPTIONS GOAL.—

21 (1) IN GENERAL.—Subject to paragraph (2), it
22 shall be the goal of the United States to shift at
23 least 10 percent of freight shipped by truck to rail
24 or marine shipping by calendar year 2020.

1 (2) INCREASE.—The Secretary of Transpor-
2 tation may increase the goal established under para-
3 graph (1) based on the evaluation of national freight
4 rail and marine shipping infrastructure and the na-
5 tional freight transportation options plan developed
6 pursuant to subsection (b).

7 (b) FREIGHT TRANSPORTATION PLAN.—

8 (1) IN GENERAL.—Not later than 18 months
9 after the date of enactment of this Act, the Sec-
10 retary of Transportation shall develop a national
11 freight transportation options plan.

12 (2) CONTENTS.—The plan developed under
13 paragraph (1) shall include—

14 (A) an evaluation of national freight rail
15 and marine shipping infrastructure;

16 (B) an assessment of barriers to increased
17 movement of freight by rail and marine ship-
18 ping;

19 (C) an identification of areas or corridors
20 in which additional capacity or other infrastruc-
21 ture is needed to allow increased use of freight
22 rail and marine shipping; and

23 (D) a strategic plan for investments in ca-
24 pacity or other measures to encourage increased

1 use of freight rail and marine shipping to meet
2 the goal established under subsection (a).

3 **SEC. 412. FREIGHT RAIL CONGESTION GRANTS.**

4 (a) IN GENERAL.—Section 24105 of title 49, United
5 States Code, is amended to read as follows:

6 **“SEC. 24105. FREIGHT RAIL CONGESTION GRANTS.**

7 “(a) AUTHORITY.—The Secretary of Transportation
8 may make grants to States for financing the capital costs
9 of facilities, infrastructure, and equipment for high pri-
10 ority rail corridor projects necessary to reduce congestion
11 in freight rail transportation.

12 “(b) ELIGIBLE PROJECTS.—Projects eligible for
13 grants under this section shall be covered by a State rail
14 plan and provide public benefits (as defined by chapter
15 27).

16 “(c) FEDERAL SHARE.—The Federal share of the
17 cost of a project financed under this section shall not ex-
18 ceed 80 percent.

19 “(d) GRANT CONDITIONS.—The Secretary of Trans-
20 portation shall require each recipient of a grant under this
21 section to comply with the applicable grant requirements
22 of section 24405.

23 “(e) EQUITABLE DISTRIBUTION.—The Secretary
24 shall take such measures as are necessary to ensure an
25 equitable geographic distribution of funds and an appro-

1 piate balance in addressing the needs of urban and rural
2 communities.”.

3 (b) TABLE OF SECTIONS AMENDMENT.—The table of
4 sections for chapter XXX of title 49, United States Code,
5 is amended by striking the item relating to section 24105
6 and inserting the following:

“Sec. 24105. Freight rail congestion grants.”.

7 **SEC. 413. RAIL ELECTRIFICATION STUDY.**

8 (a) IN GENERAL.—The Comptroller General of the
9 United States shall conduct a study on the benefits and
10 costs of electrification of rail corridors, including the role
11 of rail electrification in meeting the national oil independ-
12 ence goal established under section 101.

13 (b) REPORT.—Not later than 180 days after the date
14 of enactment of this Act, the Comptroller General shall
15 submit to the Committee on Commerce, Science, and
16 Transportation of the Senate and the Committee on
17 Transportation and Infrastructure of the House of Rep-
18 resentatives a report describing the results of the study
19 required under subsection (a).

1 **TITLE V—ALTERNATIVE**
 2 **TRANSPORTATION FUELS**
 3 **Subtitle A—Advanced Biofuels**

4 **SEC. 501. ALLOWANCE OF INVESTMENT TAX CREDIT FOR**
 5 **ADVANCED BIOFUEL FACILITIES.**

6 (a) IN GENERAL.—Subsection (a) of section 48 of the
 7 Internal Revenue Code of 1986 is amended by adding at
 8 the end the following new paragraph:

9 “(6) ELECTION TO TREAT QUALIFIED AD-
 10 VANCED BIOFUEL FACILITIES AS ENERGY PROP-
 11 PERTY.—

12 “(A) IN GENERAL.—In the case of any
 13 qualified property which is part of a qualified
 14 advanced biofuel facility investment credit facil-
 15 ity—

16 “(i) such property shall be treated as
 17 energy property for purposes of this sec-
 18 tion, and

19 “(ii) the energy percentage with re-
 20 spect to such property shall be 30 percent.

21 “(B) QUALIFIED PROPERTY.—For pur-
 22 poses of this paragraph, the term ‘qualified
 23 property’ means property—

24 “(i) which is—

1 “(I) tangible personal property,
2 or

3 “(II) other tangible property (not
4 including a building or its structural
5 components), but only if such prop-
6 erty is used as an integral part of the
7 qualified investment credit facility,
8 and

9 “(ii) with respect to which deprecia-
10 tion (or amortization in lieu of deprecia-
11 tion) is allowable.

12 “(C) QUALIFIED ADVANCED BIOFUEL FA-
13 CILITY.—For purposes of this paragraph, the
14 term ‘qualified advanced biofuel facility’ means
15 any facility—

16 “(i) the primary purpose of which is
17 the production of advanced biofuels which
18 are transportation-grade fuels,

19 “(ii) which is originally placed in serv-
20 ice by the taxpayer after the date of the
21 enactment of this paragraph and before
22 December 31, 2016, and

23 “(iii) with respect to which the tax-
24 payer makes an election to have this para-
25 graph apply.

1 “(D) **ADVANCED BIOFUELS.**—For pur-
2 poses of subparagraph (C), the term ‘advanced
3 biofuel’ means alcohol (as defined in section
4 40(d)(1)), other than ethanol derived from corn
5 starch, used as a fuel which has lifecycle green-
6 house gas emissions (as defined in section
7 211(o)(1)(H) of the Clean Air Act) at least 50
8 percent less than baseline lifecycle greenhouse
9 gas emissions (as defined in section
10 211(o)(1)(C) of such Act).”.

11 (b) **COORDINATION WITH SPECIAL ALLOWANCE FOR**
12 **CELLULOSIC BIOFUEL PLANT PROPERTY.**—Paragraph
13 (8) of section 168(l) of the Internal Revenue Code of 1986
14 is amended by inserting “or under section 48(a)(6)” be-
15 fore the period at the end.

16 (c) **EFFECTIVE DATE.**—The amendments made by
17 this section shall apply to property placed in service after
18 the date of the enactment of this Act.

19 **SEC. 502. GRANTS FOR ADVANCED BIOFUEL FACILITY**
20 **PROPERTY.**

21 Section 1603 of division B of the American Recovery
22 and Reinvestment Act of 2009 is amended by adding at
23 the end the following:

24 “(k) **APPLICATION TO QUALIFIED ADVANCED**
25 **BIOFUEL FACILITY PROPERTY.**—In the case of qualified

1 property (as defined in section 48(a)(6)(B) of the Internal
2 Revenue Code of 1986) which is part of a qualified ad-
3 vanced biofuel facility (within the meaning of section
4 48(a)(6)(C) of such Code)—

5 “(1) such qualified property shall be treated as
6 specified energy property for purposes of this sec-
7 tion, and

8 “(2) in applying this section to such qualified
9 property—

10 “(A) subsection (a) shall be applied—

11 “(i) by substituting ‘the 2-year period
12 beginning on the date of the enactment of
13 this subsection’ for ‘2009 or 2010’ each
14 place it appears, and

15 “(ii) by substituting ‘after such 2-year
16 period’ for ‘2010’ in paragraph (2) thereof,

17 “(B) the applicable percentage with respect
18 to such qualified property shall be 30 percent,

19 “(C) the credit termination date with re-
20 spect to such qualified property shall be Janu-
21 ary 1, 2017, and

22 “(D) subsection (j) shall be applied by sub-
23 stituting ‘the date which is 9-months after the
24 2-year period described in subsection
25 (k)(2)(A)(i)’ for ‘October 1, 2011’.”.

1 **SEC. 503. INCLUSION OF ALGAE-BASED BIOFUEL IN DEFINI-**
2 **TION OF CELLULOSIC BIOFUEL.**

3 (a) CELLULOSIC BIOFUEL PRODUCER CREDIT.—

4 (1) GENERAL RULE.—Paragraph (4) of section
5 40(a) of the Internal Revenue Code of 1986 is
6 amended by inserting “and algae-based” after “cel-
7 lulosic”.

8 (2) DEFINITIONS.—Paragraph (6) of section
9 40(b) of such Code is amended—

10 (A) by inserting “AND ALGAE-BASED”
11 after “CELLULOSIC” in the heading,

12 (B) by striking subparagraph (A) and in-
13 serting the following:

14 “(A) IN GENERAL.—The cellulosic and
15 algae-based biofuel producer credit of any tax-
16 payer is an amount equal to the applicable
17 amount for each gallon of—

18 “(i) qualified cellulosic biofuel produc-
19 tion, and

20 “(ii) qualified algae-based biofuel pro-
21 duction.”,

22 (C) by redesignating subparagraphs (F),
23 (G), and (H) as subparagraphs (I), (J), and
24 (K), respectively,

1 (D) by inserting “AND ALGAE-BASED”
2 after “CELLULOSIC” in the heading of subpara-
3 graph (I), as so redesignated,

4 (E) by inserting “or algae-based biofuel,
5 whichever is appropriate,” after “cellulosic
6 biofuel” in subparagraph (J), as so redesign-
7 nated,

8 (F) by inserting “and qualified algae-based
9 biofuel production” after “qualified cellulosic
10 biofuel production” in subparagraph (K), as so
11 redesignated, and

12 (G) by inserting after subparagraph (E)
13 the following new subparagraphs:

14 “(F) QUALIFIED ALGAE-BASED BIOFUEL
15 PRODUCTION.—For purposes of this section,
16 the term ‘qualified algae-based biofuel produc-
17 tion’ means any algae-based biofuel which is
18 produced by the taxpayer, and which during the
19 taxable year—

20 “(i) is sold by the taxpayer to another
21 person—

22 “(I) for use by such other person
23 in the production of a qualified algae-
24 based biofuel mixture in such other

1 person's trade or business (other than
2 casual off-farm production),

3 “(II) for use by such other per-
4 son as a fuel in a trade or business,
5 or

6 “(III) who sells such algae-based
7 biofuel at retail to another person and
8 places such algae-based biofuel in the
9 fuel tank of such other person, or

10 “(ii) is used or sold by the taxpayer
11 for any purpose described in clause (i).

12 The qualified algae-based biofuel production of
13 any taxpayer for any taxable year shall not in-
14 clude any alcohol which is purchased by the
15 taxpayer and with respect to which such pro-
16 ducer increases the proof of the alcohol by addi-
17 tional distillation.

18 “(G) QUALIFIED ALGAE-BASED BIOFUEL
19 MIXTURE.—For purposes of this paragraph, the
20 term ‘qualified algae-based biofuel mixture’
21 means a mixture of algae-based biofuel and gas-
22 oline or of algae-based biofuel and a special fuel
23 which—

1 “(i) is sold by the person producing
2 such mixture to any person for use as a
3 fuel, or

4 “(ii) is used as a fuel by the person
5 producing such mixture.

6 “(H) ALGAE-BASED BIOFUEL.—For pur-
7 poses of this paragraph—

8 “(i) IN GENERAL.—The term ‘algae-
9 based biofuel’ means any liquid fuel, in-
10 cluding gasoline, diesel, aviation fuel, and
11 ethanol, which—

12 “(I) is produced from the bio-
13 mass of algal organisms, and

14 “(II) meets the registration re-
15 quirements for fuels and fuel additives
16 established by the Environmental Pro-
17 tection Agency under section 211 of
18 the Clean Air Act (42 U.S.C. 7545).

19 “(ii) ALGAL ORGANISM.—The term
20 ‘algal organism’ means a single- or multi-
21 cellular organism which is primarily aquat-
22 ic and classified as a non-vascular plant,
23 including microalgae, blue-green algae
24 (cyanobacteria), and macroalgae (sea-
25 weeds).

1 “(iii) EXCLUSION OF LOW-PROOF AL-
2 COHOL.—Such term shall not include any
3 alcohol with a proof of less than 150. The
4 determination of the proof of any alcohol
5 shall be made without regard to any added
6 denaturants.”.

7 (3) CONFORMING AMENDMENTS.—

8 (A) Subparagraph (D) of section 40(d)(3)
9 of such Code is amended—

10 (i) by inserting “AND ALGAE-BASED”
11 after “CELLULOSIC” in the heading,

12 (ii) by inserting “or (b)(6)(F)” after
13 “(b)(6)(C)” in clause (ii), and

14 (iii) by inserting “or algae-based”
15 after “such cellulosic”.

16 (B) Paragraph (6) of section 40(d) of such
17 Code is amended—

18 (i) by inserting “AND ALGAE-BASED”
19 after “CELLULOSIC” in the heading, and

20 (ii) by striking the first sentence and
21 inserting “No cellulosic and algae-based
22 biofuel producer credit shall be determined
23 under subsection (a) with respect to any
24 cellulosic or algae-based biofuel unless such
25 cellulosic or algae-based biofuel is produced

1 in the United States and used as a fuel in
2 the United States.”

3 (C) Paragraph (3) of section 40(e) of such
4 Code is amended by inserting “AND ALGAE-
5 BASED” after “CELLULOSIC” in the heading.

6 (D) Paragraph (1) of section 4101(a) of
7 such Code is amended—

8 (i) by inserting “or algae-based” after
9 “cellulosic”, and

10 (ii) by inserting “and 40(b)(6)(H), re-
11 spectively” after “section 40(b)(6)(E)”.

12 (b) SPECIAL ALLOWANCE FOR CELLULOSIC BIOFUEL
13 PLANT PROPERTY.—Subsection (l) of section 168 of the
14 Internal Revenue Code of 1986 is amended—

15 (1) by inserting “AND ALGAE-BASED” after
16 “CELLULOSIC” in the heading,

17 (2) by inserting “and any qualified algae-based
18 biofuel plant property” after “qualified cellulosic
19 biofuel plant property” in paragraph (1),

20 (3) by redesignating paragraphs (4) through
21 (8), as amended by section 501, as paragraphs (6)
22 through (10), respectively,

23 (4) by inserting “or qualified algae-based
24 biofuel plant property” after “cellulosic biofuel plant
25 property” in paragraph (7)(C), as so redesignated,

1 (5) by striking “with respect to” and all that
2 follows in paragraph (9), as so redesignated, and in-
3 serting “with respect to any qualified cellulosic
4 biofuel plant property and any qualified algae-based
5 biofuel plant property which ceases to be such quali-
6 fied property.”,

7 (6) by inserting “or qualified algae-based
8 biofuel plant property” after “cellulosic biofuel plant
9 property” in paragraph (10), as so redesignated, and

10 (7) by inserting after paragraph (3) the fol-
11 lowing new paragraphs:

12 “(4) QUALIFIED ALGAE-BASED BIOFUEL PLANT
13 PROPERTY.—The term ‘qualified algae-based biofuel
14 plant property’ means property of a character sub-
15 ject to the allowance for depreciation—

16 “(A) which is used in the United States
17 solely to produce algae-based biofuel,

18 “(B) the original use of which commences
19 with the taxpayer after the date of the enact-
20 ment of this paragraph,

21 “(C) which is acquired by the taxpayer by
22 purchase (as defined in section 179(d)) after
23 the date of the enactment of this paragraph,
24 but only if no written binding contract for the

1 acquisition was in effect on or before such date,
2 and

3 “(D) which is placed in service by the tax-
4 payer before January 1, 2014.

5 “(5) ALGAE-BASED BIOFUEL.—

6 “(A) IN GENERAL.—The term ‘algae-based
7 biofuel’ means any liquid fuel which is produced
8 from the biomass of algal organisms.

9 “(B) ALGAL ORGANISM.—The term ‘algal
10 organism’ means a single- or multi-cellular or-
11 ganism which is primarily aquatic and classified
12 as a non-vascular plant, including microalgae,
13 blue-green algae (cyanobacteria), and
14 macroalgae (seaweeds).”.

15 (c) EFFECTIVE DATES.—

16 (1) CELLULOSIC BIOFUEL PRODUCER CRED-
17 IT.—The amendments made by subsection (a) shall
18 apply to fuel produced after the date of the enact-
19 ment of this Act.

20 (2) SPECIAL ALLOWANCE FOR CELLULOSIC
21 BIOFUEL PLANT PROPERTY.—The amendments
22 made by subsection (b) shall apply to property pur-
23 chased and placed in service after the date of the en-
24 actment of this Act.

1 **SEC. 504. EXTENSION OF CELLULOSIC BIOFUEL PRODUCER**
2 **CREDIT.**

3 (a) IN GENERAL.—Subparagraph (K) of section
4 40(b)(6) of the Internal Revenue Code of 1986, as redesign-
5 nated by section 503(a)(2)(C), is amended by striking
6 “January 1, 2013” and inserting “January 1, 2017”.

7 **SEC. 505. EXTENSION OF SPECIAL ALLOWANCE FOR CELLU-**
8 **LOSIC BIOFUEL PLANT PROPERTY.**

9 (a) IN GENERAL.—Paragraph (2)(D) of section
10 168(l) of the Internal Revenue Code of 1986 is amended
11 by striking “January 1, 2013” and inserting “January 1,
12 2017”.

13 (b) ALGAE-BASED BIOFUEL.—Paragraph (4)(D) of
14 section 168(l) of the Internal Revenue Code of 1986, as
15 amended by section 503(b)(7), is amended by striking
16 “January 1, 2013” and inserting “January 1, 2017”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to property placed in service after
19 the date of the enactment of this Act.

20 **SEC. 506. EXTENSION OF INCENTIVES FOR BIODIESEL AND**
21 **RENEWABLE DIESEL.**

22 (a) CREDITS FOR BIODIESEL AND RENEWABLE DIE-
23 SEL USED AS FUEL.—Subsection (g) of section 40A of
24 the Internal Revenue Code of 1986 is amended by striking
25 “December 31, 2011” and inserting “December 31,
26 2016”.

1 (b) EXCISE TAX CREDITS AND OUTLAY PAYMENTS
2 FOR BIODIESEL AND RENEWABLE DIESEL FUEL MIX-
3 TURES.—

4 (1) Paragraph (6) of section 6426(c) of the In-
5 ternal Revenue Code of 1986 is amended by striking
6 “December 31, 2011” and inserting “December 31,
7 2016”.

8 (2) Subparagraph (B) of section 6427(e)(6) of
9 the Internal Revenue Code of 1986 is amended by
10 striking “December 31, 2011” and inserting “De-
11 cember 31, 2016”.

12 (c) EFFECTIVE DATE.—The amendments made by
13 this section shall apply to fuel sold or used after December
14 31, 2011.

15 **SEC. 507. EXTENSION OF ALCOHOL FUELS TAX CREDITS.**

16 (a) IN GENERAL.—Paragraph (1) of section 40(e) of
17 the Internal Revenue Code of 1986 is amended—

18 (1) in subparagraph (A), by striking “December
19 31, 2011” and inserting “December 31, 2016”, and

20 (2) in subparagraph (B), by striking “January
21 1, 2012” and inserting “January 1, 2017”.

22 (b) RULE FOR CREDIT FOR ETHANOL BLENDERS.—
23 Subsection (h) of section 40 of the Internal Revenue Code
24 of 1986 is amended—

1 (1) in paragraph (1), by striking “during cal-
 2 endar years 2001 through 2010” and inserting
 3 “after calendar year 2001”, and

4 (2) in paragraph (2), by inserting at the end
 5 the following flush sentence:

6 “In the case of any sale or use after calendar year 2011,
 7 the blender amount and the low-proof blender amount
 8 shall be 0 cents.”.

9 (c) EFFECTIVE DATE.—The amendments made by
 10 this section shall apply to alcohol produced, sold, or used
 11 after December 31, 2011.

12 **Subtitle B—Powering Vehicles** 13 **With Natural Gas**

14 **SEC. 511. CREDIT FOR QUALIFIED NATURAL GAS MOTOR** 15 **VEHICLES.**

16 (a) IN GENERAL.—

17 (1) IN GENERAL.—Subsection (e) of section
 18 30B of the Internal Revenue Code of 1986 (relating
 19 to new qualified alternative fuel motor vehicle credit)
 20 is amended by adding at the end the following new
 21 paragraphs:

22 “(6) SPECIAL RULES FOR QUALIFIED NATURAL
 23 GAS MOTOR VEHICLES.—

24 “(A) IN GENERAL.—In the case of a quali-
 25 fied natural gas motor vehicle—

1 “(i) such motor vehicle shall be treat-
2 ed as a new qualified alternative fuel motor
3 vehicle under this subsection,

4 “(ii) paragraph (3) shall be applied by
5 multiplying each of the dollar amounts
6 contained in such paragraph by 2, and

7 “(iii) the credit allowed under this
8 subsection shall be transferrable as pro-
9 vided in subparagraph (B).

10 “(B) TRANSFERABILITY OF CREDIT.—

11 “(i) IN GENERAL.—A taxpayer who
12 places in service qualified natural gas
13 motor vehicle may transfer the credit al-
14 lowed under this subsection with respect to
15 such vehicle through an assignment to the
16 seller, the manufacturer, or the lessee of
17 such vehicle. Such transfer may be revoked
18 only with the consent of the Secretary.

19 “(ii) REGULATIONS.—The Secretary
20 shall prescribe such regulations as nec-
21 essary to ensure that any credit trans-
22 ferred under clause (i) is claimed once and
23 not reassigned by such other person.

24 “(7) QUALIFIED NATURAL GAS MOTOR VEHI-
25 CLE.—

1 “(A) IN GENERAL.—For purposes of this
2 subsection, the term ‘qualified natural gas
3 motor vehicle’ means any motor vehicle—

4 “(i) which is described in subpara-
5 graph (B), (C), or (D),

6 “(ii) the original use of which com-
7 mences with the taxpayer,

8 “(iii) which is acquired by the tax-
9 payer for use or lease, but not for resale,
10 and

11 “(iv) which is placed in service before
12 the date which is 10 years after the date
13 of the enactment of this paragraph.

14 “(B) HEAVY DUTY VEHICLES.—A motor
15 vehicle is described in this subparagraph if such
16 motor vehicle—

17 “(i) is made by a manufacturer,

18 “(ii) has a gross vehicle weight rating
19 of more than 8,500 pounds, and

20 “(iii) is—

21 “(I) only capable of operating on
22 compressed or liquified natural gas, or

23 “(II) capable of operating for
24 more than 175 miles on 1 fueling of
25 compressed or liquified natural gas

1 and is capable of operating on gaso-
2 line or diesel fuel.

3 “(C) LIGHT AND MEDIUM DUTY VEHI-
4 CLES.—A motor vehicle is described in this sub-
5 paragraph if such motor vehicle—

6 “(i) is made by a manufacturer,

7 “(ii) has a gross vehicle weight rating
8 of not more 8,500 pounds,

9 “(iii) is—

10 “(I) only capable of operating on
11 compressed or liquified natural gas, or

12 “(II) capable of operating for
13 more than 175 miles on 1 fueling of
14 compressed or liquified natural gas
15 and is capable of operating on gaso-
16 line or diesel fuel,

17 “(iv) is of a character subject to de-
18 preciation, and

19 “(v) is acquired by a taxpayer who—

20 “(I) owns and operates not less
21 than 10 motor vehicles in the course
22 of a trade or business at the time of
23 the acquisition, and

24 “(II) has placed in service more
25 than 2 motor vehicles described in

1 clauses (i) through (iv) or described in
2 subparagraph (D)(iii) after the date
3 of the enactment of this paragraph.

4 “(D) CONVERTED OR REPOWERED VEHI-
5 CLES.—

6 “(i) IN GENERAL.—A motor vehicle is
7 described in this subparagraph if such
8 motor vehicle is a motor vehicle described
9 in clause (ii) or clause (iii) which is con-
10 verted or repowered so that it—

11 “(I) is only capable of operating
12 on compressed or liquified natural
13 gas, or

14 “(II) is capable of operating for
15 more than 175 miles on 1 fueling of
16 compressed or liquified natural gas
17 and is capable of operating on gaso-
18 line or diesel fuel, is capable of oper-
19 ating on compressed or liquefied nat-
20 ural gas.

21 “(ii) HEAVY DUTY VEHICLES.—A
22 motor vehicle is described in this clause if
23 such motor vehicle—

1 “(I) has a gross vehicle weight
2 rating of more than 8,500 pounds,
3 and

4 “(II) was not capable of oper-
5 ating on compressed or liquified nat-
6 ural gas before the date of such con-
7 version or repower.

8 “(iii) LIGHT AND MEDIUM DUTY VE-
9 HICLES.—A motor vehicle is described in
10 this clause if such motor vehicle—

11 “(I) has a gross vehicle weight
12 rating of not more 8,500 pounds,

13 “(II) was not capable of oper-
14 ating on compressed or liquified nat-
15 ural gas before the date of such con-
16 version or repower,

17 “(III) is of a character subject to
18 depreciation,

19 “(IV) is acquired by a taxpayer
20 who owns and operates not less than
21 10 motor vehicles in the course of a
22 trade or business at the time of the
23 acquisition, and

24 “(V) is acquired by a taxpayer
25 who has placed in service more than 2

1 motor vehicles described in subclauses
2 (I) through (III) or described in sub-
3 paragraph (C) after the date of the
4 enactment of this paragraph.

5 “(iv) SPECIAL RULES.—

6 “(I) TREATMENT AS NEW.—For
7 purposes of this subsection, the origi-
8 nal use of any motor vehicle described
9 in clause (i) shall be treated as begin-
10 ning with the first use after the date
11 of the conversion or repower.

12 “(II) RULE OF CONSTRUC-
13 TION.—In the case of a used vehicle
14 which is converted or repowered, noth-
15 ing in this section shall be construed
16 to require that the motor vehicle be
17 acquired in the year the credit is
18 claimed under this section with re-
19 spect to such vehicle.

20 “(E) SPECIAL RULE.—For purposes of
21 this subsection, in the case of a motor vehicle
22 which—

23 “(i) is described in subparagraph (C)
24 or (D)(iii),

1 “(ii) is placed in service after the date
2 of the enactment of this paragraph, and

3 “(iii) is placed in service by a tax-
4 payer in a taxable year prior to the taxable
5 year in which such taxpayer places in serv-
6 ice the third such motor vehicle described
7 in subparagraph (C) or (D)(iii) after such
8 date of enactment.

9 such motor vehicle shall be treated as placed in
10 service in the taxable year in which such third
11 motor vehicle is placed in service.”.

12 (2) CONFORMING AMENDMENT.—Subparagraph
13 (B) of section 30B(e)(5) of such Code is amended
14 by inserting “(other than a qualified natural gas
15 motor vehicle)” after “paragraph (3)”.

16 (b) MIXED-FUEL VEHICLES.—Subparagraph (C) of
17 section 30B(e)(5) of the Internal Revenue Code of 1986
18 is amended by striking “a mixed-fuel vehicle which oper-
19 ates using” and all that follows and inserting “a mixed-
20 fuel vehicle which—

21 “(i) in the case of such a vehicle
22 which is capable of operating on com-
23 pressed or liquified natural gas, operates
24 using at least 65 percent compressed or

1 liquified natural gas and not more than 35
2 percent petroleum-based fuel, and

3 “(ii) in the case of any other such ve-
4 hicle, operates using at least 75 percent al-
5 ternative fuel and not more than 25 per-
6 cent petroleum-based fuel.”.

7 (c) **ALTERNATIVE MINIMUM TAX TREATMENT.**—
8 Subparagraph (B) of section 38(c)(4) of the Internal Rev-
9 enue Code of 1986 is amended by redesignating clauses
10 (i) through (ix) as clauses (ii) through (x), respectively,
11 and by inserting after before clause (ii) (as so redesi-
12 g-nated) the following new clause:

13 “(i) the amount of the credit deter-
14 mined under section 30B which is attrib-
15 utable to a qualified natural gas motor ve-
16 hicle (as defined in section 30B(e)(7)).”.

17 (d) **EFFECTIVE DATE.**—The amendments made by
18 this section shall apply to property placed in service after
19 the date of the enactment of this Act.

20 **SEC. 512. NATURAL GAS VEHICLE BONDS.**

21 (a) **IN GENERAL.**—Subpart I of part IV of sub-
22 chapter A of chapter 1 (relating to qualified tax credit
23 bonds) of the Internal Revenue Code of 1986 is amended
24 by adding at the end the following new section:

1 **“SEC. 54G. NATURAL GAS VEHICLE BONDS.**

2 “(a) NATURAL GAS VEHICLE BOND.—For purposes
3 of this subpart, the term ‘natural gas vehicle bond’ means
4 any bond issued as part of an issue if—

5 “(1) 100 percent of the available project pro-
6 ceeds of such issue are to be used for capital expend-
7 itures incurred by a governmental body for 1 or
8 more qualified natural gas vehicle projects placed in
9 service by such governmental body primarily for gov-
10 ernmental or public use,

11 “(2) the bond is issued by a governmental body,

12 “(3) the issuer designates such bond for pur-
13 poses of this section, and

14 “(4) in lieu of the requirements of section
15 54A(d)(2), the issue meets the requirements of sub-
16 section (c).

17 “(b) LIMITATION ON AMOUNT OF BONDS DES-
18 IGNATED.—

19 “(1) IN GENERAL.—The maximum aggregate
20 face amount of bonds which may be designated
21 under subsection (a) by any issuer shall not exceed
22 the limitation amount allocated under this sub-
23 section to such issuer.

24 “(2) NATIONAL LIMITATION ON AMOUNT OF
25 BONDS DESIGNATED.—There is a national natural
26 gas vehicle bond limitation of \$3,000,000,000.

1 “(3) ALLOCATION BY SECRETARY.—The Sec-
2 retary shall allocate the amount described in para-
3 graph (2) among qualified natural gas vehicle
4 projects in such manner as the Secretary determines
5 appropriate.

6 “(c) SPECIAL RULES RELATING TO EXPENDI-
7 TURES.—

8 “(1) IN GENERAL.—An issue shall be treated as
9 meeting the requirements of this subsection if, as of
10 the date of issuance, the issuer reasonably expects—

11 “(A) 100 percent or more of the available
12 project proceeds of such issue are to be spent
13 for 1 or more qualified natural gas vehicle
14 projects within the 5-year period beginning on
15 the date of issuance of the natural gas vehicle
16 bond,

17 “(B) a binding commitment with a third
18 party to spend at least 10 percent of such avail-
19 able project proceeds will be incurred within the
20 6-month period beginning on the date of
21 issuance of the natural gas vehicle bond, and

22 “(C) such projects will be completed with
23 due diligence and such available project pro-
24 ceeds will be spent with due diligence.

1 “(2) EXTENSION OF PERIOD.—Upon submis-
2 sion of a request prior to the expiration of the period
3 described in paragraph (1)(A), the Secretary may
4 extend such period if the issuer establishes that the
5 failure to satisfy the 5-year requirement is due to
6 reasonable cause and the related projects will con-
7 tinue to proceed with due diligence.

8 “(3) FAILURE TO SPEND REQUIRED AMOUNT
9 OF BOND PROCEEDS WITHIN 5 YEARS.—To the ex-
10 tent that less than 100 percent of the available
11 project proceeds of such issue are expended by the
12 close of the 5-year period beginning on the date of
13 issuance (or if an extension has been obtained under
14 paragraph (2), by the close of the extended period),
15 the issuer shall redeem all of the nonqualified bonds
16 within 90 days after the end of such period. For
17 purposes of this paragraph, the amount of the non-
18 qualified bonds required to be redeemed shall be de-
19 termined in the same manner as under section 142.

20 “(d) GOVERNMENTAL BODY.—For purposes of this
21 section, the term ‘governmental body’ means any State,
22 territory, possession of the United States, the District of
23 Columbia, Indian tribal government, and any political sub-
24 division thereof.

1 “(e) QUALIFIED NATURAL GAS VEHICLE
2 PROJECT.—For purposes of this subpart, the term ‘quali-
3 fied natural gas vehicle project’ means—

4 “(1) 1 or more qualified natural gas vehicles
5 (as defined in section 30B(e)(7)), or

6 “(2) 1 or more qualified alternative fuel vehicle
7 refueling properties which are used to store and or
8 dispense compressed or liquefied natural gas (within
9 the meaning of section 30C(c)).

10 “(f) TERMINATION.—This section shall not apply
11 with respect to any bond issued after December 31,
12 2020.”.

13 (b) CONFORMING AMENDMENTS.—

14 (1) Paragraph (1) of section 54A(d) of the In-
15 ternal Revenue Code of 1986 is amended by striking
16 “or” at the end of subparagraph (D), by striking the
17 period at the end of subparagraph (E) and inserting
18 “, or”, and by inserting after subparagraph (E) the
19 following new subparagraph:

20 “(F) a natural gas vehicle bond,”.

21 (2) Subparagraph (C) of section 54A(d)(2) of
22 such Code is amended by striking “and” at the end
23 of clause (iv), by striking the period at the end of
24 clause (v) and inserting “, and”, and by adding at
25 the end the following new clause:

1 “(vi) in the case of a natural gas vehi-
2 cle bond, a purpose specified in section
3 54H(a)(1).”.

4 (c) CLERICAL AMENDMENT.—The table of sections
5 for subpart I of part IV of subchapter A of chapter 1 of
6 such Code is amended by adding at the end the following
7 new item:

“Sec. 54G. Natural gas vehicle bonds.”.

8 (d) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to bonds issued after the date of
10 the enactment of this Act.

11 **SEC. 513. INCENTIVES FOR MANUFACTURING FACILITIES**
12 **PRODUCING VEHICLES FUELED BY COM-**
13 **PRESSED OR LIQUIFIED NATURAL GAS.**

14 (a) DEDUCTION FOR MANUFACTURING FACILI-
15 TIES.—

16 (1) IN GENERAL.—Part VI of subchapter B of
17 chapter 1 of the Internal Revenue Code of 1986 (re-
18 lating to itemized deductions for individuals and cor-
19 porations) is amended by inserting after section
20 179E the following new section:

1 **“SEC. 179F. EXPENSING FOR MANUFACTURING FACILITIES**
2 **PRODUCING VEHICLES FUELED BY COM-**
3 **PRESSED NATURAL GAS OR LIQUIFIED NAT-**
4 **URAL GAS.**

5 “(a) TREATMENT AS EXPENSES.—A taxpayer may
6 elect to treat the applicable percentage of the cost of any
7 qualified natural gas vehicle manufacturing facility prop-
8 erty as an expense which is not chargeable to a capital
9 account. Any cost so treated shall be allowed as a deduc-
10 tion for the taxable year in which the qualified manufac-
11 turing facility property is placed in service.

12 “(b) APPLICABLE PERCENTAGE.—For purposes of
13 subsection (a), the applicable percentage is—

14 “(1) 100 percent, in the case of qualified nat-
15 ural gas vehicle manufacturing facility property
16 which is placed in service before January 1, 2016,
17 and

18 “(2) 50 percent, in the case of qualified natural
19 gas vehicle manufacturing facility property which is
20 placed in service after December 31, 2015, and be-
21 fore January 1, 2021.

22 “(c) ELECTION.—

23 “(1) IN GENERAL.—An election under this sec-
24 tion for any taxable year shall be made on the tax-
25 payer’s return of the tax imposed by this chapter for
26 the taxable year. Such election shall be made in such

1 manner as the Secretary may by regulations pre-
2 scribe.

3 “(2) ELECTION IRREVOCABLE.—Any election
4 made under this section may not be revoked except
5 with the consent of the Secretary.

6 “(d) QUALIFIED NATURAL GAS VEHICLE MANUFAC-
7 TURING FACILITY PROPERTY.—For purposes of this sec-
8 tion—

9 “(1) IN GENERAL.—The term ‘qualified natural
10 gas vehicle manufacturing facility property’ means
11 any qualified property—

12 “(A) the original use of which commences
13 with the taxpayer,

14 “(B) which is placed in service by the tax-
15 payer after the date of the enactment of this
16 section and before January 1, 2021, and

17 “(C) no written binding contract for the
18 construction of which was in effect on or before
19 the date of the enactment of this section.

20 “(2) QUALIFIED PROPERTY.—

21 “(A) IN GENERAL.—The term ‘qualified
22 property’ means any property which is a facility
23 or a portion of a facility used for the production
24 of—

1 “(i) any qualified natural gas vehicles
2 (as defined in section 30B(e)(7)), or

3 “(ii) any eligible component.

4 “(B) ELIGIBLE COMPONENT.—The term
5 ‘eligible component’ means any component
6 which is designed specifically for use in such a
7 qualified natural gas vehicle.

8 “(e) SPECIAL RULE FOR DUAL USE PROPERTY.—

9 “(1) IN GENERAL.—In the case of any qualified
10 natural gas vehicle manufacturing facility property
11 which is used to produce both property described in
12 clauses (i) and (ii) of subsection (d)(2)(A) and prop-
13 erty which is not so described, the amount of costs
14 taken into account under subsection (a) shall be re-
15 duced by an amount equal to—

16 “(A) the total amount of such costs (deter-
17 mined before the application of this subsection),
18 multiplied by

19 “(B) the percentage of property expected
20 to be produced which is not so described.

21 “(2) REGULATIONS.—The Secretary shall pre-
22 scribe such regulations as are necessary to carry out
23 the purpose of this subsection.”.

24 (2) CLERICAL AMENDMENT.—The table of sec-
25 tions of part VI of subchapter B of chapter 1 of the

1 Internal Revenue Code of 1986 is amended by in-
2 serting after the item relating to section 179E the
3 following new item:

“Sec. 179F. Expensing for manufacturing facilities producing vehicles fueled by
compressed natural gas or liquified natural gas.”.

4 (b) REFUND OF CREDIT FOR PRIOR YEAR MINIMUM
5 TAX LIABILITY.—Section 53 of the Internal Revenue
6 Code of 1986 (relating to credit for prior year minimum
7 tax liability) is amended by adding at the end the following
8 new subsection:

9 “(g) ELECTION TO TREAT AMOUNTS ATTRIBUTABLE
10 TO QUALIFIED MANUFACTURING FACILITY.—

11 “(1) IN GENERAL.—In the case of an eligible
12 taxpayer, the amount determined under subsection
13 (c) for the taxable year (after the application of sub-
14 section (e)) shall be increased by an amount equal
15 to the applicable percentage of any qualified natural
16 gas vehicle manufacturing facility property which is
17 placed in service during the taxable year.

18 “(2) APPLICABLE PERCENTAGE.—For purposes
19 of paragraph (1), the applicable percentage is—

20 “(A) 35 percent, in the case of qualified
21 natural gas vehicle manufacturing facility prop-
22 erty which is placed in service before January
23 1, 2016, and

1 “(B) 17.5 percent, in the case of qualified
2 natural gas vehicle manufacturing facility prop-
3 erty which is placed in service after December
4 31, 2015, and before January 1, 2021.

5 “(3) ELIGIBLE TAXPAYER.—For purposes of
6 this subsection, the term ‘eligible taxpayer’ means
7 any taxpayer—

8 “(A) who places in service qualified natural
9 gas vehicle manufacturing facility property dur-
10 ing the taxable year,

11 “(B) who does not make an election under
12 section 179F(c), and

13 “(C) who makes an election under this
14 subsection.

15 “(4) OTHER DEFINITIONS AND SPECIAL
16 RULES.—

17 “(A) QUALIFIED NATURAL GAS VEHICLE
18 MANUFACTURING FACILITY PROPERTY.—The
19 term ‘qualified natural gas vehicle manufac-
20 turing facility property’ has the meaning given
21 such term under section 179F(d).

22 “(B) SPECIAL RULE FOR DUAL USE PROP-
23 PERTY.—In the case of any qualified natural gas
24 vehicle manufacturing facility property which is
25 used to produce both qualified property (as de-

1 fined in section 179F(d)) and other property
2 which is not qualified property, the amount of
3 costs taken into account under paragraph (1)
4 shall be reduced by an amount equal to—

5 “(i) the total amount of such costs
6 (determined before the application of this
7 subparagraph), multiplied by

8 “(ii) the percentage of property ex-
9 pected to be produced which is not quali-
10 fied property.

11 “(C) ELECTION.—

12 “(i) IN GENERAL.—An election under
13 this subsection for any taxable year shall
14 be made on the taxpayer’s return of the
15 tax imposed by this chapter for the taxable
16 year. Such election shall be made in such
17 manner as the Secretary may by regula-
18 tions prescribe.

19 “(ii) ELECTION IRREVOCABLE.—Any
20 election made under this subsection may
21 not be revoked except with the consent of
22 the Secretary.

23 “(5) CREDIT REFUNDABLE.—For purposes of
24 this title (other than this section), the credit allowed

1 by reason of this subsection shall be treated as if it
2 were allowed under subpart C.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

6 **SEC. 514. STUDY OF INCREASING NATURAL GAS AND LIQ-**
7 **UEFIED PETROLEUM GAS VEHICLES IN FED-**
8 **ERAL FLEET.**

9 (a) IN GENERAL.—The Administrator of General
10 Services, in consultation with the Administrator and the
11 Secretary, shall conduct a study of the means by which
12 the Federal fleet could increase the number of light-, me-
13 dium-, and heavy-duty natural gas and liquefied petroleum
14 gas vehicles in the fleet.

15 (b) COMPONENTS.—In conducting the study, the Ad-
16 ministrator of General Services shall—

17 (1) take into consideration Executive Order
18 13514 (74 Fed. Reg. 52117; relating to Federal
19 leadership in environmental, energy, and economic
20 performance) requiring agencies to meet a 30 per-
21 cent reduction in vehicle fleet petroleum use by
22 2020;

23 (2) assess—

1 (A) the barriers to increasing the number
2 of natural gas and liquefied petroleum gas vehi-
3 cles in the Federal fleet;

4 (B) the potential for maximizing the use of
5 natural gas and liquefied petroleum gas vehicles
6 in the fleet;

7 (C) the expected reductions in petroleum
8 use and greenhouse gas emissions as part of the
9 potential impacts of increasing natural gas and
10 liquefied petroleum in the fleet; and

11 (D) the lifecycle costs involved in fleet con-
12 versions, including the cost savings from re-
13 duced fuel consumption;

14 (3) provide a separate analysis of the potential
15 costs of installing the specific fueling infrastructure
16 required to increase natural gas and liquefied petro-
17 leum gas in the fleet; and

18 (4) include feasibility assessments for increas-
19 ing the number of light-, medium-, and heavy-duty
20 natural gas and liquefied petroleum gas vehicles in
21 the fleet over a base period of 10 years and acceler-
22 ated periods of 3 and 5 years.

23 (c) REPORT.—Not later than 180 days after the date
24 of enactment of this Act, the Administrator of General
25 Services shall submit to the appropriate committees of

1 Congress a report on the results of the study conducted
2 under this section.

3 **TITLE VI—HEATING OIL AND**
4 **PROPANE CONSERVATION**

5 **SEC. 601. ENERGY EFFICIENCY IMPROVEMENTS FOR HEAT-**
6 **ING OIL, PROPANE, AND KEROSENE USE IN**
7 **HOMES AND COMMERCIAL BUILDINGS.**

8 (a) DEFINITIONS.—In this section:

9 (1) COST-EFFECTIVE.—The term “cost-effec-
10 tive”, with respect to an energy efficiency program,
11 means that the program meets the total resource
12 cost test, which requires that the net present value
13 of economic benefits over the life of the program or
14 measure (including avoided supply and delivery costs
15 and deferred or avoided investments) is greater than
16 the net present value of the economic costs over the
17 life of the program, including program costs and in-
18 cremental costs borne by the energy consumer.

19 (2) DEPARTMENT.—The term “Department”
20 means the Department of Energy.

21 (3) NORA.—The term “NORA” means a na-
22 tional oilheat research alliance established pursuant
23 to section 704 of the National Oilheat Research Alli-
24 ance Act of 2000 (42 U.S.C. 6201 note; Public Law
25 106–469) or a successor entity.

1 (4) PERC.—The term “PERC” means the
2 Propane Education and Research Council authorized
3 by the Propane Education and Research Act of 1996
4 (15 U.S.C. 6401 et seq.) or a successor entity.

5 (5) SECRETARY.—The term “Secretary” means
6 the Secretary of Energy.

7 (b) ENERGY EFFICIENCY IMPROVEMENT FOR HEAT-
8 ING OIL, PROPANE, AND KEROSENE PROGRAM.—

9 (1) ESTABLISHMENT.—There is established in
10 the Department the Energy Efficiency Improvement
11 for Heating Oil, Propane, and Kerosene Program
12 under which the Secretary shall provide funds to
13 each State that has elected to participate in pro-
14 grams operated by NORA or PERC to carry out
15 cost-effective energy efficiency programs for homes
16 and buildings that use home heating oil, propane,
17 and kerosene.

18 (2) DISTRIBUTION OF FUNDS.—The Secretary
19 shall distribute funds under paragraph (1) among
20 the States based on the relative amount of funds col-
21 lected in each State under the National Oilheat Re-
22 search Alliance Act of 2000 (42 U.S.C. 6201 note;
23 Public Law 106–469) and the Propane Education
24 and Research Act of 1996 (15 U.S.C. 6401 et seq.).

25 (c) USE OF PROCEEDS.—

1 (1) IN GENERAL.—A State shall use the
2 amounts distributed under subsection (b)(2) to carry
3 out cost-effective energy efficiency programs for con-
4 sumers that use home heating oil, propane, or ker-
5 osene for residential or commercial purposes.

6 (2) ADMINISTRATION AND DELIVERY MECHA-
7 NISMS.—In administering a program under this sec-
8 tion, a State shall—

9 (A) to the maximum extent practicable, de-
10 liver efficiency programs through, or integrated
11 with, existing energy efficiency programs super-
12 vised by the State, including, as appropriate,
13 energy efficiency programs administered by par-
14 ties other than the State;

15 (B) to the maximum extent practicable, co-
16 ordinate the administration and delivery of en-
17 ergy efficiency programs supported under this
18 section, among other such programs and with
19 existing programs for various fuel types, to de-
20 liver comprehensive, fuel-blind, coordinated pro-
21 grams to consumers;

22 (C) ensure that funding provided under
23 this section does not displace or substitute for
24 existing or alternative sources of funding for
25 energy efficiency programs;

1 (D) taking into account subparagraphs (A)
2 through (C), designate 1 or more energy effi-
3 ciency program administrators for cost-effective
4 home heating oil, propane, and kerosene effi-
5 ciency programs;

6 (E) designate an existing, or establish a
7 new, stakeholder oversight council or equivalent
8 to review efficiency program designs and effi-
9 ciency program cost-effectiveness and make rec-
10 ommendation for improvement and ensure co-
11 ordination between efficiency programs for
12 other fuels such as electricity and natural gas;

13 (F) establish methodologies and processes
14 for the manner by which efficiency programs
15 are developed, administered, reviewed, and ap-
16 proved in the State and report to the Secretary
17 annually on the methodologies and processes
18 used to develop, administer, review, and ap-
19 prove home heating oil, propane, and kerosene
20 programs; and

21 (G) ensure that evaluation, monitoring,
22 and verification of the efficiency programs are
23 conducted by an independent third-party annu-
24 ally with reporting to the States, public, and
25 the Secretary.

1 (d) REPORTS.—

2 (1) STATE.—Not later than April 30 of each
3 year, each State that receives funds under this sec-
4 tion shall submit to the Secretary a report for the
5 previous calendar year in accordance with such re-
6 quirements as the Secretary may prescribe that—

7 (A) describes the use by the State of funds
8 provided by this section, including a description
9 of the cost-effective energy efficiency programs
10 funded;

11 (B) demonstrates the consumer savings,
12 cost-effectiveness of, and the lifetime and an-
13 nual energy savings achieved by, energy effi-
14 ciency programs funded under this section; and

15 (C) includes a report prepared by an inde-
16 pendent third party, in accordance with such
17 regulations as the Secretary may issue, evalu-
18 ating the performance of the cost-effective en-
19 ergy efficiency programs funded under this sec-
20 tion, including consumer savings, cost-effective-
21 ness of, and the lifetime and annual energy sav-
22 ings of the efficiency programs.

23 (2) SECRETARY.—

24 (A) IN GENERAL.—Not later than April
25 30, 2013, and every 2 years thereafter, the Sec-

1 retary shall submit to Congress a report con-
2 taining—

3 (i) an evaluation of the consumer sav-
4 ings, cost-effectiveness of, and the lifetime
5 and annual energy savings achieved by, en-
6 ergy efficiency programs funded under this
7 section; and

8 (ii) recommendations for means of
9 more effectively achieving consumer sav-
10 ings, cost-effectiveness, and lifetime and
11 annual energy savings through efficiency
12 programs for home heating oil, propane,
13 and kerosene consumer for residential or
14 commercial purposes.

15 (B) PUBLICATION.—The Secretary shall
16 make the reports submitted under subpara-
17 graph (A) available to the public, including by
18 publishing the reports on the Internet.

19 (e) ENFORCEMENT.—If the Secretary determines
20 that a State is not in compliance with this section, the
21 Secretary may distribute funds that would have been dis-
22 tributed to the State under subsection (b)2) among the
23 remaining States, on a pro rata basis, for use in carrying
24 out programs under this section.

1 **SEC. 602. RENEWABLE BIOMASS THERMAL ENERGY FOR**
2 **COMMERCIAL BUILDINGS.**

3 (a) DEFINITIONS.—In this section:

4 (1) COMMERCIAL BUILDING.—

5 (A) IN GENERAL.—The term “commercial
6 building” means a building that—

7 (i) is located in the United States;

8 and

9 (ii) was in existence or initially de-
10 signed as of December 31, 2009.

11 (B) EXCLUSIONS.—The term “commercial
12 building” does not include—

13 (i) a federally owned building; or

14 (ii) a residential building.

15 (2) ELIGIBLE BUILDING.—The term “eligible
16 building” means a commercial building or multi-
17 family residential building that uses (or, if under de-
18 velopment but not yet constructed, is designed to
19 consume) heating oil or another petroleum product
20 as the primary thermal energy source of the build-
21 ing.

22 (3) MULTIFAMILY RESIDENTIAL BUILDING.—

23 (A) IN GENERAL.—The term “multifamily
24 residential building” means a structure of 5 or
25 more dwelling units that—

1 (i) is located in the United States;

2 and

3 (ii) was in existence or initially de-
4 signed as of December 31, 2009.

5 (B) EXCLUSION.—The term “multifamily
6 residential building” does not include a feder-
7 ally owned building.

8 (4) PROGRAM.—The term “program” means
9 the renewable biomass thermal energy loan program
10 established under this section.

11 (5) QUALIFIED BOILER.—The term “qualified
12 boiler” means a wood or wood-pellet fired boiler or
13 furnace that—

14 (A) has a capacity of not less than
15 300,000 Btu per hour; and

16 (B) meets or exceeds 60 percent total sys-
17 tem efficiency based on lower heating value.

18 (6) QUALIFIED PROGRAM DELIVERY ENTITY.—
19 The term “qualified program delivery entity” means
20 a State, political subdivision of a State, tribal gov-
21 ernment, energy utility, natural gas utility, nonprofit
22 or community-based organization, energy service
23 company, retailer, or any other qualified entity
24 that—

1 (A) meets the eligibility requirements of
2 this section; and

3 (B) is approved by the State that admin-
4 isters the program in the State.

5 (7) SECRETARY.—The term “Secretary” means
6 the Secretary of Energy.

7 (b) ESTABLISHMENT.—The Secretary shall establish
8 a renewable biomass thermal energy loan program under
9 which the Secretary shall make grants to States to support
10 financial assistance provided by qualified program delivery
11 entities for replacing, in eligible buildings, thermal energy
12 systems that use heating oil or another petroleum product
13 in qualified boilers.

14 (c) ELIGIBILITY OF QUALIFIED PROGRAM DELIVERY
15 ENTITIES.—To be eligible to participate in the program,
16 a qualified program delivery entity—

17 (1) shall offer a financing product under which
18 eligible participants may pay over time for the cost
19 to the owner of an eligible building (after all applica-
20 ble Federal, State, local, and other rebates or incen-
21 tives are applied) of replacing or redesigning a ther-
22 mal energy system that uses heating oil or another
23 petroleum product with a qualified boiler;

24 (2) shall offer an incentive or other strategy for
25 encouraging the owner of an eligible building to

1 make energy efficiency improvements to the thermal
2 energy delivery system of an eligible building at the
3 same time as a qualified boiler is installed;

4 (3) shall establish standard underwriting cri-
5 teria to determine the eligibility of program appli-
6 cants, which criteria shall be consistent with com-
7 mercially recognized best practices applicable to the
8 form of financial assistance being provided (as deter-
9 mined by the designated entity administering the
10 program in the State); and

11 (4) may establish and offer financing mecha-
12 nisms to pool the needs of multiple eligible buildings
13 into a single finance package in order to lower trans-
14 actions costs and enable projects in small or low-in-
15 come municipalities to participate in the program.

16 (d) ALLOCATION.—In making funds available to
17 States for each fiscal year under this section, the Sec-
18 retary shall use the formula used to allocate funds to
19 States to carry out State energy conservation plans estab-
20 lished under part D of title III of the Energy Policy and
21 Conservation Act (42 U.S.C. 6321 et seq.).

22 (e) QUALIFIED PROGRAM DELIVERY ENTITIES.—Be-
23 fore making a grant to a State under this section, the Sec-
24 retary shall require the Governor of the State to provide
25 to the Secretary a letter of assurance that the State—

1 (1) has 1 or more qualified program delivery
2 entities that meet the requirements of this section;

3 (2) has established a loan program mechanism
4 that incorporates an effective repayment mechanism,
5 which may include—

6 (A) on-utility-bill repayment;

7 (B) tax assessment or other form of prop-
8 erty assessment financing;

9 (C) municipal service charges;

10 (D) energy or energy efficiency services
11 contracts; or

12 (E) alternative contractual repayment
13 mechanisms that have been demonstrated to
14 have appropriate risk mitigation features; and

15 (3) will provide, in a timely manner, all infor-
16 mation regarding the administration of the program
17 as the Secretary may require to permit the Secretary
18 to meet the reporting requirements of subsection (h).

19 (f) USE OF GRANT FUNDS.—Grant funds made
20 available to States under the program may be used to sup-
21 port financing products offered by qualified program deliv-
22 ery entities to eligible participants, by providing—

23 (1) interest rate reductions;

24 (2) loan loss reserves or other forms of credit
25 enhancement;

1 (3) revolving loan funds from which qualified
2 program delivery entities may offer direct loans;

3 (4) other debt instruments or financial products
4 necessary—

5 (A) to maximize leverage provided through
6 available funds; and

7 (B) to support widespread deployment of
8 qualified boilers; and

9 (5) technical assistance delivered for nonprofit
10 or community based organizations and local govern-
11 ments in economically distressed counties, on financ-
12 ing options or project development and design of-
13 fered to eligible entities, particularly eligible entities
14 located in low-income communities, HUB zones, or
15 other Federal designations aimed at increasing the
16 participation and benefit from Federal programs of
17 underserved or low-income communities.

18 (g) USE OF REPAYMENT FUNDS.—In the case of a
19 revolving loan fund established by a State described in
20 subsection (f)(3), a qualified program delivery entity may
21 use funds repaid by eligible participants under the pro-
22 gram to provide financial assistance for additional eligible
23 participants to make improvements described in sub-
24 section (b) in a manner that is consistent with this section
25 or other such criteria as are prescribed by the State.

1 (h) PROGRAM EVALUATION.—Not later than 180
2 days after the date of enactment of this Act, the Secretary
3 shall submit to Congress a program evaluation that de-
4 scribes—

5 (1) how many eligible participants have partici-
6 pated in the program;

7 (2) how many jobs have been created through
8 the program, directly and indirectly;

9 (3) what steps could be taken to promote fur-
10 ther deployment of qualified boilers;

11 (4) the quantity of verifiable energy savings, re-
12 newable energy deployment, eligible building owner
13 energy bill savings, and other benefits of the pro-
14 gram; and

15 (5) the performance of the programs carried
16 out by qualified program delivery entities under this
17 section, including information on the rate of default
18 and repayment.

19 **TITLE VII—AUTHORIZATION OF** 20 **APPROPRIATIONS**

21 **SEC. 701. AUTHORIZATION OF APPROPRIATIONS.**

22 There are authorized to be appropriated to carry out
23 this Act and the amendments made by this Act such sums

1 as are necessary for each of fiscal years 2011 through
2 2020.

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