

112TH CONGRESS
1ST SESSION

S. 212

To amend title 10, United States Code, to authorize long-term contracts for the procurement of certain liquid transportation fuels for the Department of Defense.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2011

Mr. BAUCUS (for himself and Mr. TESTER) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to authorize long-term contracts for the procurement of certain liquid transportation fuels for the Department of Defense.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Freedom Fuels Act
5 of 2011”.

1 **SEC. 2. AUTHORITY FOR LONG-TERM CONTRACTS FOR PRO-**
2 **CUREMENT OF CERTAIN LIQUID TRANSPOR-**
3 **TATION FUELS FOR THE DEPARTMENT OF**
4 **DEFENSE.**

5 (a) **AUTHORITY.**—Subchapter II of chapter 173 of
6 title 10, United States Code, is amended by adding at the
7 end the following new section:

8 **“§ 2922h. Liquid fuels: contracts for procurement of**
9 **certain transportation fuels**

10 “(a) **AUTHORITY TO CONTRACT.**—The Secretary of
11 Defense may enter into one or more contracts for the pro-
12 curement of fuels described in subsection (b) for the De-
13 partment of Defense.

14 “(b) **COVERED FUELS.**—A fuel described in this sub-
15 section is a liquid transportation fuel, including jet fuel,
16 that—

17 “(1) meets the requirements of section 526 of
18 the Energy Independence and Security Act of 2007
19 (42 U.S.C. 17142);

20 “(2) uses a feedstock that is produced within a
21 State; and

22 “(3) is refined, manufactured, or produced in a
23 State.

24 “(c) **PERIOD OF CONTRACT.**—The period of a con-
25 tract entered into under subsection (a) may not exceed
26 10 years.

1 “(d) PROHIBITION ON OPTIONS.—A contract under
2 subsection (a) may not include any options that would ex-
3 tend the overall period of the contract beyond 10 years.

4 “(e) REPORTS ON CONTRACTS.—Not later than three
5 years after entering into a contract under subsection (a),
6 the Secretary of Defense shall submit to Congress a report
7 on the contract. The report shall include the following:

8 “(1) A description of the performance of the
9 contract, including an assessment whether the con-
10 tract is yielding savings to the Department when
11 compared with the procurement of fuels that meet
12 the requirements referred to in subsection (b) but
13 are not procured under the authority in subsection
14 (a).

15 “(2) In consultation with the Secretary of En-
16 ergy, an assessment whether the contract has stimu-
17 lated the development of domestic energy infrastruc-
18 ture, and an assessment whether lengthening the
19 maximum authorized period of contract in sub-
20 section (c) would further stimulate the development
21 of domestic energy infrastructure.

22 “(3) An assessment whether the expanded use
23 of contracts as authorized by subsection (a) have re-
24 duced, or can reduce, the vulnerability of the De-
25 partment to disruptions in the global oil supply, and

1 an assessment whether lengthening the maximum
2 authorized period of contract in subsection (c), could
3 further reduce the vulnerability of the Department
4 to such disruptions.

5 “(f) STATE DEFINED.—In this section, the term
6 ‘State’—

7 “(1) means each of the several States; and

8 “(2) includes any land under the jurisdiction of
9 an Indian tribe located in any of the several
10 States.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 at the beginning of subchapter II of chapter 173 of such
13 title is amended by adding at the end the following new
14 item:

“2922h. Liquid fuels: contracts for procurement of certain transportation
fuels.”.

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