

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3325

To promote coal-to-liquid fuel activities.

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IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

Mr. BUNNING (for himself, Mr. OBAMA, Mr. LUGAR, Mr. BURNS, and Mr. PRYOR) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To promote coal-to-liquid fuel activities.

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 “Coal-to-Liquid Fuel  
5       Promotion Act of 2006”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

8               (1) COAL-TO-LIQUID.—The term “coal-to-liq-  
9       uid” means—

10               (A) with respect to a process or tech-  
11       nology, the use of the coal resources of the

1 United States, using the class of chemical reac-  
2 tions known as Fischer-Tropsch, to produce  
3 synthetic fuel suitable for transportation; and

4 (B) with respect to a facility, the portion  
5 of a facility related to the Fischer-Tropsch  
6 process, Fischer-Tropsch finished fuel produc-  
7 tion, or the capture, transportation, or seques-  
8 tration of byproducts of the use of coal at the  
9 Fischer-Tropsch facility, including carbon emis-  
10 sions.

11 (2) SECRETARY.—The term “Secretary” means  
12 the Secretary of Energy.

13 **SEC. 3. COAL-TO-LIQUID FUEL LOAN GUARANTEE PRO-**  
14 **GRAM.**

15 (a) ELIGIBLE PROJECTS.—Section 1703(b) of the  
16 Energy Policy Act of 2005 (42 U.S.C. 16513(b)) is  
17 amended by adding at the end the following:

18 “(11) Large-scale coal-to-liquid facilities (as de-  
19 fined in section 2 of the Coal-to-Liquid Fuel Pro-  
20 motion Act of 2006), that use coal resources of the  
21 United States to produce not less than 10,000 bar-  
22 rels a day of liquid transportation fuel.”.

23 (b) AUTHORIZATION OF APPROPRIATIONS.—Section  
24 1704 of the Energy Policy Act of 2005 (42 U.S.C. 16514)  
25 is amended by adding at the end the following:

1 “(c) COAL-TO-LIQUID PROJECTS.—

2 “(1) IN GENERAL.—There are authorized to be  
3 appropriated such sums as are necessary to provide  
4 the cost of guarantees for projects involving large-  
5 scale coal-to-liquid facilities under section  
6 1703(b)(11).

7 “(2) LIMITATIONS.—

8 “(A) IN GENERAL.—No loan guarantees  
9 shall be provided under this title for projects  
10 described in paragraph (1) after (as determined  
11 by the Secretary)—

12 “(i) the tenth such loan guarantee is  
13 issued under this title; or

14 “(ii) production capacity covered by  
15 such loan guarantees reaches 100,000 bar-  
16 rels per day of coal-to-liquid fuel.

17 “(B) INDIVIDUAL PROJECTS.—

18 “(i) IN GENERAL.—A loan guarantee  
19 may be provided under this title for any  
20 large-scale coal-to-liquid facility described  
21 in paragraph (1) that produces no more  
22 than 20,000 barrels of coal-to-liquid fuel  
23 per day.

24 “(ii) NON-FEDERAL FUNDING RE-  
25 QUIREMENT.—To be eligible for a loan

1           guarantee under this title, a large-scale  
2           coal-to-liquid facility described in para-  
3           graph (1) that produces more than 20,000  
4           barrels of coal-to-liquid fuel per day shall  
5           be required to provide non-Federal funding  
6           for the proportional cost of the loan guar-  
7           antee for production that exceeds 20,000  
8           barrels of coal-to-liquid fuel per day.”.

9   **SEC. 4. COAL-TO-LIQUID FACILITIES LOAN PROGRAM.**

10       (a) DEFINITION OF ELIGIBLE RECIPIENT.—In this  
11       section, the term “eligible recipient” means an individual,  
12       organization, or other entity that owns, operates, or plans  
13       to construct a coal-to-liquid facility that will produce at  
14       least 10,000 barrels per day of coal-to-liquid fuel.

15       (b) ESTABLISHMENT.—The Secretary shall establish  
16       a program under which the Secretary shall provide loans,  
17       in a total amount not to exceed \$20,000,000, for use by  
18       eligible recipients to pay the Federal share of the cost of  
19       obtaining any services necessary for the planning, permit-  
20       ting, and construction of a coal-to-liquid facility.

21       (c) APPLICATION.—To be eligible to receive a loan  
22       under subsection (b), an owner or operator of a coal-to-  
23       liquid facility shall submit to the Secretary an application  
24       at such time, in such manner, and containing such infor-  
25       mation as the Secretary may require.

1 (d) NON-FEDERAL MATCH.—To be eligible to receive  
2 a loan under this section, an eligible recipient shall use  
3 non-Federal funds to provide a dollar-for-dollar match of  
4 the amount of the loan.

5 (e) REPAYMENT OF LOAN.—

6 (1) IN GENERAL.—To be eligible to receive a  
7 loan under this section, an eligible recipient shall  
8 agree to repay the original amount of the loan to the  
9 Secretary not later than 5 years after the date of the  
10 receipt of the loan.

11 (2) SOURCE OF FUNDS.—Repayment of a loan  
12 under paragraph (1) may be made from any financ-  
13 ing or assistance received for the construction of a  
14 coal-to-liquid facility described in subsection (a), in-  
15 cluding a loan guarantee provided under section  
16 1703(b)(11) of the Energy Policy Act of 2005 (42  
17 U.S.C. 16513(b)(11)).

18 (f) AUTHORIZATION OF APPROPRIATIONS.—There is  
19 authorized to be appropriated to carry out this section  
20 \$200,000,000, to remain available until expended.

21 **SEC. 5. LOCATION OF COAL-TO-LIQUID MANUFACTURING**  
22 **FACILITIES.**

23 The Secretary, in coordination with the head of any  
24 affected agency, shall promulgate such regulations as the  
25 Secretary determines to be necessary to support the devel-

1 opment on Federal land (including land of the Department  
2 of Energy, military bases, and military installations closed  
3 or realigned under the defense base closure and realign-  
4 ment) of coal-to-liquid manufacturing facilities and associ-  
5 ated infrastructure, including the capture, transportation,  
6 or sequestration of carbon dioxide.

7 **SEC. 6. CREDIT FOR INVESTMENT IN COAL-TO-LIQUID**  
8 **FUELS PROJECTS.**

9 (a) IN GENERAL.—Section 46 of the Internal Rev-  
10 enue Code of 1986 (relating to amount of credit) is  
11 amended by striking “and” at the end of paragraph (3),  
12 by striking the period at the end of paragraph (4) and  
13 inserting “, and”, and by adding at the end the following  
14 new paragraph:

15 “(5) the qualifying coal-to-liquid fuels project  
16 credit.”.

17 (b) AMOUNT OF CREDIT.—Subpart E of part IV of  
18 subchapter A of chapter 1 of the Internal Revenue Code  
19 of 1986 (relating to rules for computing investment credit)  
20 is amended by inserting after section 48B the following  
21 new section:

22 **“SEC. 48C. QUALIFYING COAL-TO-LIQUID FUELS PROJECT**  
23 **CREDIT.**

24 “(a) IN GENERAL.—For purposes of section 46, the  
25 qualifying coal-to-liquid fuels project credit for any taxable

1 year is an amount equal to 20 percent of the qualified  
2 investment for such taxable year.

3 “(b) QUALIFIED INVESTMENT.—

4 “(1) IN GENERAL.—For purposes of subsection  
5 (a), the qualified investment for any taxable year is  
6 the basis of property placed in service by the tax-  
7 payer during such taxable year which is part of a  
8 qualifying coal-to-liquid fuels project—

9 “(A)(i) the construction, reconstruction, or  
10 erection of which is completed by the taxpayer,  
11 or

12 “(ii) which is acquired by the taxpayer if  
13 the original use of such property commences  
14 with the taxpayer, and

15 “(B) with respect to which depreciation (or  
16 amortization in lieu of depreciation) is allow-  
17 able.

18 “(2) APPLICABLE RULES.—For purposes of this  
19 section, rules similar to the rules of subsection  
20 (a)(4) and (b) of section 48 shall apply.

21 “(c) DEFINITIONS.—For purposes of this section—

22 “(1) QUALIFYING COAL-TO-LIQUID FUELS  
23 PROJECT.—The term ‘qualifying coal-to-liquid fuels  
24 project’ means any domestic project which—

1           “(A) employs the Fischer-Tropsch process  
2           to produce at least 10,000 barrels per day of  
3           transportation grade liquid fuels from coal (in-  
4           cluding any property which allows for the cap-  
5           ture, transportation, or sequestration of by-  
6           products resulting from such process, including  
7           carbon emissions), and

8           “(B) any portion of the qualified invest-  
9           ment in which is certified under the qualifying  
10          coal-to-liquid program as eligible for credit  
11          under this section in an amount (not to exceed  
12          \$200,000,000) determined by the Secretary.

13          “(2) COAL.—The term ‘coal’ means any carbon-  
14          ized or semicarbonized matter, including peat.

15          “(d) QUALIFYING COAL-TO-LIQUID FUELS PROJECT  
16          PROGRAM.—

17                 “(1) IN GENERAL.—The Secretary, in consulta-  
18                 tion with the Secretary of Energy, shall establish a  
19                 qualifying coal-to-liquid fuels project program to  
20                 consider and award certifications for qualified in-  
21                 vestment eligible for credits under this section to 10  
22                 qualifying coal-to-liquid fuels project sponsors under  
23                 this section. The total qualified investment which  
24                 may be awarded eligibility for credit under the pro-  
25                 gram shall not exceed \$2,000,000,000.

1           “(2) PERIOD OF ISSUANCE.—A certificate of  
2 eligibility under paragraph (1) may be issued only  
3 during the 10-fiscal year period beginning on Octo-  
4 ber 1, 2006.

5           “(3) SELECTION CRITERIA.—The Secretary  
6 shall not make a competitive certification award for  
7 qualified investment for credit eligibility under this  
8 section unless the recipient has documented to the  
9 satisfaction of the Secretary that—

10           “(A) the award recipient is financially via-  
11 ble without the receipt of additional Federal  
12 funding associated with the proposed project,

13           “(B) the recipient will provide sufficient  
14 information to the Secretary for the Secretary  
15 to ensure that the qualified investment is spent  
16 efficiently and effectively,

17           “(C) a market exists for the products of  
18 the proposed project as evidenced by contracts  
19 or written statements of intent from potential  
20 customers,

21           “(D) the fuels identified with respect to  
22 the gasification technology for such project will  
23 comprise at least 90 percent of the fuels re-  
24 quired by the project for the production of  
25 transportation grade liquid fuels,

1           “(E) the award recipient’s project team is  
2           competent in the construction and operation of  
3           the Fischer-Tropsch process, with preference  
4           given to those recipients with experience which  
5           demonstrates successful and reliable operations  
6           of such process, and

7           “(F) the award recipient has met other cri-  
8           teria established and published by the Sec-  
9           retary.

10          “(e) DENIAL OF DOUBLE BENEFIT.—No deduction  
11          or other credit shall be allowed with respect to the basis  
12          of any property taken into account in determining the  
13          credit allowed under this section.”.

14          (c) CONFORMING AMENDMENTS.—

15                 (1) Section 49(a)(1)(C) of the Internal Revenue  
16                 Code of 1986 is amended by striking “and” at the  
17                 end of clause (iii), by striking the period at the end  
18                 of clause (iv) and inserting “, and”, and by adding  
19                 after clause (iv) the following new clause:

20                         “(v) the basis of any property which  
21                         is part of a qualifying coal-to-liquid fuels  
22                         project under section 48C.”.

23                 (2) The table of sections for subpart E of part  
24                 IV of subchapter A of chapter 1 of such Code is

1 amended by inserting after the item relating to sec-  
 2 tion 48B the following new item:

“48C. Qualifying coal-to-liquid fuels project credit.”.

3 (d) **EFFECTIVE DATE.**—The amendments made by  
 4 this section shall apply to periods after the date of the  
 5 enactment of this Act, under rules similar to the rules of  
 6 section 48(m) of the Internal Revenue Code of 1986 (as  
 7 in effect on the day before the date of the enactment of  
 8 the Revenue Reconciliation Act of 1990).

9 **SEC. 7. TEMPORARY EXPENSING FOR EQUIPMENT USED IN**  
 10 **COAL-TO-LIQUID FUELS PROCESS.**

11 (a) **IN GENERAL.**—Part VI of subchapter B of chap-  
 12 ter 1 of the Internal Revenue Code of 1986 is amended  
 13 by inserting after section 179D the following new section:

14 **“SEC. 179E. ELECTION TO EXPENSE CERTAIN COAL-TO-LIQ-**  
 15 **UID FUELS FACILITIES.**

16 “(a) **TREATMENT AS EXPENSES.**—A taxpayer may  
 17 elect to treat the cost of any qualified coal-to-liquid fuels  
 18 process property as an expense which is not chargeable  
 19 to capital account. Any cost so treated shall be allowed  
 20 as a deduction for the taxable year in which the expense  
 21 is incurred.

22 “(b) **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

1 the taxable year. Such election shall be made in such  
2 manner as the Secretary may by regulations pre-  
3 scribe.

4 “(2) ELECTION IRREVOCABLE.—Any election  
5 made under this section may not be revoked except  
6 with the consent of the Secretary.

7 “(c) QUALIFIED COAL-TO-LIQUID FUELS PROCESS  
8 PROPERTY.—The term ‘qualified coal-to-liquid fuels proc-  
9 ess property’ means any property located in the United  
10 States—

11 “(1) which employs the Fischer-Tropsch process  
12 to produce transportation grade liquid fuels from  
13 coal (including any property which allows for the  
14 capture, transportation, or sequestration of by-prod-  
15 ucts resulting from such process, including carbon  
16 emissions),

17 “(2) the original use of which commences with  
18 the taxpayer,

19 “(3) the construction of which—

20 “(A) except as provided in subparagraph  
21 (B), is subject to a binding construction con-  
22 tract entered into after the date of the enact-  
23 ment of this section and before January 1,  
24 2011, but only if there was no written binding

1 construction contract entered into on or before  
2 such date of enactment, or

3 “(B) in the case of self-constructed prop-  
4 erty, began after the date of the enactment of  
5 this section and before January 1, 2011, and

6 “(4) which is placed in service by the taxpayer  
7 after the date of the enactment of this section and  
8 before January 1, 2016.

9 “(d) ELECTION TO ALLOCATE DEDUCTION TO COOP-  
10 ERATIVE OWNER.—If—

11 “(1) a taxpayer to which subsection (a) applies  
12 is an organization to which part I of subchapter T  
13 applies, and

14 “(2) one or more persons directly holding an  
15 ownership interest in the taxpayer are organizations  
16 to which part I of subchapter T apply,

17 the taxpayer may elect to allocate all or a portion of the  
18 deduction allowable under subsection (a) to such persons.

19 Such allocation shall be equal to the person’s ratable share  
20 of the total amount allocated, determined on the basis of  
21 the person’s ownership interest in the taxpayer. The tax-  
22 able income of the taxpayer shall not be reduced under  
23 section 1382 by reason of any amount to which the pre-  
24 ceding sentence applies.

25 “(e) BASIS REDUCTION.—

1           “(1) IN GENERAL.—For purposes of this title,  
2 if a deduction is allowed under this section with re-  
3 spect to any qualified coal-to-liquid fuels process  
4 property, the basis of such property shall be reduced  
5 by the amount of the deduction so allowed.

6           “(2) ORDINARY INCOME RECAPTURE.—For  
7 purposes of section 1245, the amount of the deduc-  
8 tion allowable under subsection (a) with respect to  
9 any property which is of a character subject to the  
10 allowance for depreciation shall be treated as a de-  
11 duction allowed for depreciation under section 167.

12           “(f) APPLICATION WITH OTHER DEDUCTIONS AND  
13 CREDITS.—

14           “(1) OTHER DEDUCTIONS.—No deduction shall  
15 be allowed under any other provision of this chapter  
16 with respect to any expenditure with respect to  
17 which a deduction is allowed under subsection (a) to  
18 the taxpayer.

19           “(2) CREDITS.—No credit shall be allowed  
20 under section 38 with respect to any amount for  
21 which a deduction is allowed under subsection (a).

22           “(g) REPORTING.—No deduction shall be allowed  
23 under subsection (a) to any taxpayer for any taxable year  
24 unless such taxpayer files with the Secretary a report con-  
25 taining such information with respect to the operation of

1 the property of the taxpayer as the Secretary shall re-  
2 quire.”.

3 (b) CONFORMING AMENDMENTS.—

4 (1) Section 1016(a) of the Internal Revenue  
5 Code of 1986 is amended by striking “and” at the  
6 end of paragraph (36), by striking the period at the  
7 end of paragraph (37) and inserting “, and”, and by  
8 adding at the end the following new paragraph:

9 “(38) to the extent provided in section  
10 179E(e)(1).”.

11 (2) Section 1245(a) of such Code is amended  
12 by inserting “179E,” after “179D,” both places it  
13 appears in paragraphs (2)(C) and (3)(C).

14 (3) Section 263(a)(1) of such Code is amended  
15 by striking “or” at the end of subparagraph (J), by  
16 striking the period at the end of subparagraph (K)  
17 and inserting “, or”, and by inserting after subpara-  
18 graph (K) the following new subparagraph:

19 “(L) expenditures for which a deduction is  
20 allowed under section 179E.”.

21 (4) Section 312(k)(3)(B) of such Code is  
22 amended by striking “or 179D” each place it ap-  
23 pears in the heading and text and inserting “179D,  
24 or 179E”.

1           (5) The table of sections for part VI of sub-  
 2           chapter B of chapter 1 of such Code is amended by  
 3           inserting after the item relating to section 179D the  
 4           following new item:

“Sec. 179E. Election to expense certain coal-to-liquid fuels facilities.”.

5           (c) EFFECTIVE DATE.—The amendments made by  
 6           this section shall apply to properties placed in service after  
 7           the date of the enactment of this Act.

8           **SEC. 8. EXTENSION OF ALTERNATIVE FUEL CREDIT FOR**  
 9                                   **FUEL DERIVED FROM COAL THROUGH THE**  
 10                                   **FISCHER-TROPSCH PROCESS.**

11           (a) ALTERNATIVE FUEL CREDIT.—Paragraph (4) of  
 12           section 6426(d) of the Internal Revenue Code of 1986 is  
 13           amended to read as follows:

14                           “(4) TERMINATION.—This subsection shall not  
 15           apply to—

16                                   “(A) any sale or use involving liquid fuel  
 17                                   derived from coal (including peat) through the  
 18                                   Fischer-Tropsch process for any period after  
 19                                   September 30, 2020,

20                                   “(B) any sale or use involving liquified hy-  
 21                                   drogen for any period after September 30,  
 22                                   2014, and

23                                   “(C) any other sale or use for any period  
 24                                   after September 30, 2009.”.

25           (b) PAYMENTS.—

1           (1) IN GENERAL.—Paragraph (5) of section  
2           6427(e) of the Internal Revenue Code of 1986 is  
3           amended by striking “and” and the end of subpara-  
4           graph (C), by striking the period at the end of sub-  
5           paragraph (D) and inserting “, and”, and by adding  
6           at the end the following new subparagraph:

7                     “(E) any alternative fuel or alternative fuel  
8                     mixture (as so defined) involving liquid fuel de-  
9                     rived from coal (including peat) through the  
10                    Fischer-Tropsch process sold or used after Sep-  
11                    tember 30, 2020.”.

12           (2) CONFORMING AMENDMENT.—Section  
13           6427(e)(5)(C) of such Code is amended by striking  
14           “subparagraph (D)” and inserting “subparagraphs  
15           (D) and (E)”.

16 **SEC. 9. STRATEGIC PETROLEUM RESERVE.**

17           (a) DEVELOPMENT, OPERATION, AND MAINTENANCE  
18           OF RESERVE.—Section 159 of the Energy Policy and Con-  
19           servation Act (42 U.S.C. 6239) is amended—

20                     (1) by redesignating subsections (f), (g), (j),  
21                     (k), and (l) as subsections (a), (b), (e), (f), and (g),  
22                     respectively; and

23                     (2) by inserting after subsection (b) (as redesign-  
24                     ated by paragraph (1)) the following:

1       “(c) STUDY OF MAINTAINING COAL-TO-LIQUID  
2 PRODUCTS IN RESERVE.—Not later than 1 year after the  
3 date of enactment of the Coal-to-Liquid Fuel Promotion  
4 Act of 2006, the Secretary and the Secretary of Defense  
5 shall—

6               “(1) conduct a study of the feasibility and suit-  
7 ability of maintaining coal-to-liquid products in the  
8 Reserve; and

9               “(2) submit to the Committee on Energy and  
10 Natural Resources and the Committee on Armed  
11 Services of the Senate and the Committee on Energy  
12 and Commerce and the Committee on Armed Serv-  
13 ices of the House of Representatives a report de-  
14 scribing the results of the study.

15       “(d) CONSTRUCTION OF STORAGE FACILITIES.—As  
16 soon as practicable after the date of enactment of the  
17 Coal-to-Liquid Fuel Promotion Act of 2006, the Secretary  
18 may construct 1 or more storage facilities—

19               “(1) in the vicinity of pipeline infrastructure  
20 and at least 1 military base; but

21               “(2) outside the boundaries of any State on the  
22 coast of the Gulf of Mexico.”.

23       (b) PETROLEUM PRODUCTS FOR STORAGE IN RE-  
24 SERVE.—Section 160 of the Energy Policy and Conserva-  
25 tion Act (42 U.S.C. 6240) is amended—

1 (1) in subsection (a)—

2 (A) in paragraph (1), by inserting a semi-  
3 colon at the end;

4 (B) in paragraph (2), by striking “and” at  
5 the end;

6 (C) in paragraph (3), by striking the pe-  
7 riod at the end and inserting “; and”; and

8 (D) by adding at the end the following:

9 “(4) coal-to-liquid products (as defined in sec-  
10 tion 2 of the Coal-to-Liquid Fuel Promotion Act of  
11 2006), as the Secretary determines to be appro-  
12 priate, in a quantity not to exceed 20 percent of the  
13 total quantity of petroleum products in the Re-  
14 serve.”;

15 (2) in subsection (b), by redesignating para-  
16 graphs (3) through (5) as paragraphs (2) through  
17 (4), respectively; and

18 (3) by redesignating subsections (f) and (h) as  
19 subsections (d) and (e), respectively.

20 (c) CONFORMING AMENDMENTS.—Section 167 of the  
21 Energy Policy and Conservation Act (42 U.S.C. 6247) is  
22 amended—

23 (1) in subsection (b)—

24 (A) by redesignating paragraphs (2) and

25 (3) as paragraphs (1) and (2), respectively; and

1 (B) in paragraph (2) (as redesignated by  
2 subparagraph (A)), by striking “section 160(f)”  
3 and inserting “section 160(e)”; and

4 (2) in subsection (d), in the matter preceding  
5 paragraph (1), by striking “section 160(f)” and in-  
6 serting “section 160(e)”.

7 **SEC. 10. AUTHORIZATION TO CONDUCT RESEARCH, DEVELOP-**  
8 **MENT, TESTING, AND EVALUATION OF AS-**  
9 **SURED DOMESTIC FUELS.**

10 Of the amount authorized to be appropriated for the  
11 Air Force for research, development, testing, and evalua-  
12 tion, \$10,000,000 may be made available for the Air Force  
13 Research Laboratory to continue support efforts to test,  
14 qualify, and procure synthetic fuels developed from coal  
15 for aviation jet use.

16 **SEC. 11. PROCUREMENT OF UNCONVENTIONAL FUELS BY**  
17 **THE DEPARTMENT OF DEFENSE.**

18 Section 2398a of title 10, United States Code, is  
19 amended—

20 (1) in subsection (b)—

21 (A) by striking “The Secretary” and in-  
22 serting the following:

23 “(1) IN GENERAL.—The Secretary”; and

24 (B) by adding at the end the following:

1           “(2) COAL-TO-LIQUID PRODUCTION FACILI-  
2 TIES.—

3           “(A) IN GENERAL.—The Secretary of De-  
4 fense may enter into contracts or other agree-  
5 ments with private companies or other entities  
6 to develop and operate coal-to-liquid facilities  
7 (as defined in section 2 of the Coal-to-Liquid  
8 Fuel Promotion Act of 2006) on or near mili-  
9 tary installations.

10           “(B) CONSIDERATIONS.—In entering into  
11 contracts and other agreements under subpara-  
12 graph (A), the Secretary shall consider land  
13 availability, testing opportunities, and proximity  
14 to raw materials.”;

15           (2) in subsection (d), by striking “1 or more  
16 years” and inserting “up to 25 years”; and

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

18           “(f) AUTHORIZATION OF APPROPRIATIONS.—There  
19 are authorized to be appropriated such sums as are nec-  
20 essary to carry out this section.”.

○