

career in the U.S. Army with the official retirement of Col. Jay McNulty. It also will mean the House of Representatives will lose the services of an individual who is the epitome of professionalism.

For slightly over 28 years, Jay has served in his Nation's uniform with great distinction. He served two tours of duty in Vietnam, first with the 11th Armored Cavalry Regiment (Blackhorse) and then the 1st Squadron of the 1st Regiment of Dragoons (Blackhawk). As a former armored officer myself in World War II and during Korea, I feel a special kindredship with Jay because of our similar military duty.

Since 1993, Colonel McNulty has served as Chief of Army Liaison to the U.S. House of Representatives. I am sure my colleagues will join me in commending Jay for the many times he has been of help to them and their constituents. He has served the Army well in this position.

On a more personal note, I appreciate the excellent job Jay did in planning and making arrangements for our trip to observe the 50th anniversary of D-day in England and Normandy last year. I believe we had the largest congressional delegation to ever attend a single event, not to mention the many other delegations from other countries. The trip was a logistical nightmare, but thanks to Colonel McNulty and his dedicated staff it was one of the smoothest trips I have been on.

Jay, we will miss you and certainly wish you well in the future as you take on new challenges. We thank you for your service to the House and the Nation. You truly have been a credit to the uniform you wear.

THE IMPORTANCE OF SECTION 29 TO LANDFILL GAS PROJECTS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 31, 1995

Mrs. JOHNSON of Connecticut. Mr. Speaker, I am introducing today a bill to extend a tax credit in section 29 of the Internal Revenue Code for producing gas from biomass or synthetic fuels from coal. The credit expires at the end of next year. My bill would extend it for another 4 years through the year 2000.

This tax credit was originally enacted in 1980 in the aftermath of the oil embargo as an inducement for Americans to look for fuel in unusual places. The country had just gone through oil shortages, long lines at gasoline stations, spiralling inflation, and record-high interest rates driven by the increase in energy prices, followed by a deep recession. We were determined not to be held hostage again. To this end, Congress enacted a series of measures intended to use what fuel we have more efficiently and to give business incentives to tap sunlight, wind, geothermal fluid, biomass, and similar resources for fuel.

The section 29 tax credit was part of the strategy. It was a credit of \$3 for the equivalent of each barrel of oil in energy content produced from a list of unconventional fuels. The list included gas from Devonian shale, tight sand formations, coal seams, geopressed brine and biomass, and synthetic fuels from coal. None of these fuels could be economically produced without the credit. Congress provided for a phaseout of the credit if oil

prices ever reached high enough levels again so that the market would produce them on its own. Both the amount of the credit and the phaseout prices are adjusted each year for inflation.

The credit was originally scheduled to expire in 1989. It has been extended three times.

The last time—in 1992—Congress drastically cut back the list of fuels that qualify to only two: gas from biomass and synthetic fuel from coal. An example of gas from biomass is methane produced by decomposing garbage at landfills.

To a degree, the logic for continuing the credit shifted by 1992. In the case of landfill gas, the credit produced important environmental benefits by collecting a dangerous greenhouse gas that might otherwise be released into the atmosphere. This was on top of tapping a potentially useful fuel that was otherwise going to waste. In the case of synthetic fuels from coal, the country has tremendous coal reserves, but coal can be a dirty fuel and there was a desire to continue efforts to develop coal-based fuels as an alternative to burning straight coal.

Why extend the credit again? My main interest is in seeing an incentive remain on the books to tap methane gas at landfills. We still are not doing enough in this area.

Methane gas at landfills is a serious health and safety hazard. It must find an outlet or it can explode. During the 1980's, there were more than two dozen life-threatening explosions and at least three deaths at U.S. landfills.

There are two possible outlets for landfill gases. Gas can migrate underground to adjoining properties, where it can kill or stunt vegetation by displacing oxygen from the ground. Alternatively, it can escape into the atmosphere. Contaminants in the gas contribute to air pollution and mix with sunlight to create smog.

Landfill operators control the gas either by installing so-called passive systems, like trenches, barriers and vents to prevent gas from migrating underground and to give it an outlet into the atmosphere, or by installing so-called active systems where the gas is pumped to the surface and either flared, vented, or collected for use as a fuel.

Use as fuel is still rare. There are approximately 6,000 landfills in the United States. At the end of 1990, gas was being collected for fuel at just 97. In 1995, the figure is still only 143.

Last year, the U.S. Environmental Protection Agency created a special Landfill Methane Outreach Program in an effort to encourage more collection of landfill gas for use as fuel. Methane is a greenhouse gas that contributes to global warming. It is the second largest contributor to global warming after carbon dioxide, and landfills are the single largest source of methane emissions, accounting for more than a third of total methane.

Greenhouse gases are expected to increase by 14.5 percent during the 1990's. The Clinton administration committed in April 1993 to hold greenhouse gas emissions to 1990 levels. The Landfill Methane Outreach Program is an effort to avert this increase. EPA is preparing a report to Congress on barriers to landfill gas projects, it has set up a hotline to cut through redtape, and it is in the process of signing cooperative agreements with States and utilities to encourage more landfill gas production.

Air pollution officials—not just at EPA but also at the State and local levels—are eager to see the tax credit extended. The credit is just starting to have an effect at landfills. Most landfill owners have only recently become aware of it, and the pace of landfill gas development is increasing noticeably. It took almost 15 years to get the word out. There was almost a 50-percent increase in landfill gas projects in the last 5 years. The credit needs more time to reach its potential.

EPA estimates that approximately 750 of the 6,000 landfills in the United States are candidates for landfill gas production. The experts believe it will not happen without the credit.

My bill would do four things.

First, it would extend the credit. The credit is currently scheduled to expire for projects placed in service after December 1996. Under the bill, this deadline would be pushed back 4 years through the year 2000.

Second, it would push back the so-called expiration date for the credit by a commensurate number of years. Under current law, landfill gas projects must be in service by next year, but if they meet this deadline, then they qualify for tax credits on the gas produced through the current expiration date, 2007. My bill would push back the expiration date by 4 years through 2011.

Third, my bill would eliminate a complication concerning expiration dates. There are two different expiration dates in the statute currently. The credit expires for pre-1993 projects in 2002. It expires for more recent projects in 2007. My bill would collapse these dates into a single expiration date of 2011 for all projects. There is a misconception that having made an investment to get a landfill gas project off the ground, the developer will continue producing gas after the credit expires. Many projects will not. Landfill gas production is not economic at most sites without the credit. Production will cease, notwithstanding the capital investment the developer made to get the project going initially, because he cannot afford to operate at a loss. In addition, there are continuing capital costs that must be made to keep a project operating. Landfills expand. Garbage shifts underground. Pipes that have been put underground to collect the gas break or bend and new ones must be installed.

Finally, my bill would make a technical change in section 29 that, at a 1994 House Ways and Means Committee hearing, the Treasury Department said it does not oppose. To qualify for section 29 tax credits today, the person producing the gas must sell it to an unrelated party. The reason for this requirement is obscure. Most landfill gas is used to generate electricity for sale to the local utility. Landfill gas projects are structured currently so that ownership of the gas collection equipment is in different hands than the electric generating equipment. It would be simpler if the producer of the gas could use it himself to generate the electricity. My bill would allow him to do just that. The bill would treat the unrelated-party sale requirement as having been met in cases where the producer uses the gas to generate electricity which is sold to an unrelated party.

The Ways and Means Oversight subcommittee, which I chair, held a hearing on May 9, 1995, about whether to extend certain expiring tax benefits, including the section 29 credit. I look forward to extending the credit later this year before work on new landfill gas projects

grinds to a halt because developers are worried there is not enough time to get them into service.

H.R. 2142, THE DEPARTMENT OF ENERGY LABORATORY MISSIONS ACT

HON. STEVEN SCHIFF

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 31, 1995

Mr. SCHIFF. Mr. Speaker, today I am joining my colleague Mr. GEREN in introducing legislation which will begin to establish the missions for the Department of Energy's national laboratories in the post-cold war Federal scientific establishment. Specifically, my legislation will establish a procedure for defining and assigning missions to the Department's laboratories which take into account the historic role the laboratories have played, and continue to play, in the defense of this Nation and in its scientific and technological success.

I am introducing this legislation in response to recent studies of the national laboratories, which clearly show the need for better defined roles and management. Through their unique historical missions, DOE's national laboratories have developed core competencies and scientific capabilities that have contributed and continue to contribute technology to ensure the maintenance of the nuclear deterrent and other elements of our national security. These laboratories collectively represent an extensive science and technology resource of people, facilities, and equipment. The national laboratories have established successful collaborative relationships with other Federal agencies, universities, and private industry that have allowed each partner to share and leverage their capabilities. Their contributions to energy-related and basic science, environmental restoration and waste management, and other emerging scientific fields are internationally significant.

Over the years, however, the missions of the national laboratories have become diffuse. Congress is now in the process of rethinking the infrastructure which supports research by the Federal scientific establishment. I believe it is, therefore, vital that the laboratories' preeminence as research facilities and their contributions to the Nation's overall national security, scientific and industrial well-being be recognized, defined, and focused. Whatever the final form of our Federal research support infrastructure, the national laboratories will have a prominent role within it.

My legislation first defines a three step public process by which the Secretary of Energy, working with all stakeholders, including Congress, first defines the criteria, then the missions, and then streamlines, if necessary, the labs to carry out those missions. H.R. 2142, the Department of Energy Laboratory Missions Act, also directs the DOE to cease internal health, safety, and environmental regulation of the labs and to transfer those responsibilities to other appropriate Federal regulatory agencies. Recent reports to the Secretary of Energy indicate this will substantially improve management of the labs and release scarce resources to accomplish the labs' missions.

As chairman of the Subcommittee on Basic Research of the Committee on Science, I in-

tend to hold hearings on this legislation, and other related pending legislation this September. I am open to improving the mission-definition process and management at the Department and look forward to hearing from all interested parties at that time.

Thank you, Mr. Speaker. I like forward to working with you and the Members of this House on this legislation.

A section-by-section summary of the legislation is attached.

SECTION-BY-SECTION SUMMARY, H.R. 2142

The Department of Energy Laboratory Missions Act

Section 1. Short Title.

"Department of Energy Laboratory Missions Act"

Section 2. Definitions.

1. Departmental Laboratory;
2. Federal Laboratory;
3. Relevant Congressional Committees;
4. Secretary.

Title I. Mission Assignment

Section 101. Findings.

1. Labs have developed core missions;
2. Labs continue to contribute to national security;
3. Labs have helped maintain the peace;
4. Labs represent extensive science and technology resources that contribute to national technology goals;
5. Labs have established successful collaborative relationships;
6. Partnerships and cooperative agreements should be encouraged;
7. Labs need well defined and assigned missions.

Section 102. Missions.

The DOE may maintain labs to advance the following core missions:

1. To maintain the national security.
 - A. By providing to nuclear weapons stockpile.
 - B. By assisting with dismantlement of nuclear weapons and working to curb proliferation.
- C. Advancing science and technology in the development of nuclear and conventional weapons.
 2. To ensure the Nation's energy supply.
 3. To conduct basic research in energy-related science and technology and in emerging scientific fields.
 4. To carry out research and development for the purpose of minimizing environmental impacts of the production and use of energy, nuclear weapons, and materials.
 5. To carry out additional missions as assigned by the President.

To further its core missions the DOE may establish mutually beneficial collaborative partnerships.

Section 103. Procedure for Laboratory Mission Assignment and Streamlining.

a. Mission Assignment and Streamlining Criteria.

1. The Secretary shall publish in the Federal Register, not later than 3 months after enactment, the criteria for the assignment of missions to, and streamlining if necessary of departmental laboratories. The public shall have 30 days to respond. In developing the criteria, the Secretary shall consider the following:

- A. the unique technical and experimental capabilities of each lab;
 - B. unnecessary duplication of effort at the labs;
 - C. cost savings or increases due to streamlining;
 - D. appropriateness of research done at the labs;
 - E. expert advice from outside individuals.
2. Five months after enactment, Secretary shall publish in the Federal Register and transmit to Congress the final criteria.

b. Secretary's Proposals.

1. Not later than 1 year after enactment the Secretary shall publish in the Federal Register and transmit to Congress the Secretary's proposals for mission assignments and streamlining.

2. Summary of Process.

The Secretary shall include a summary and justification of the process used.

c. Availability of Information.

The Secretary shall make all information available to the Comptroller General.

d. Comptroller General Report.

Fifteen months after enactment the Comptroller General shall report to Congress on the Secretary's proposals.

Section 104. Assignment of Missions and Streamlining of Labs.

The Secretary shall:

1. assign the missions as proposed in the report;
2. streamline the labs as proposed;
3. complete process in 4 years after date report is transmitted.

Section 105. Reports.

Each fiscal year the Secretary shall transmit to Congress:

1. a schedule of mission assignments;
2. any transfer of functions between labs.

Title II. Governance

Section 201. Findings.

1. inordinate internal focus at DOE on compliance issues;
2. too much emphasis at DOE on oversight and compliance roles;
3. costs of review groups interferes with research operations;
4. too much influence has been ceded by DOE to nonregulatory advisory boards;
5. enforcement of environment, safety, and health rules and regulations is a function of other government agencies.

Section 202. Elimination of Self-Regulation.

The Department shall implement, but shall not be the agency of enforcement of, Federal, State, and local environment, health, and safety rules and regulations, unless the Secretary certifies a particular action is unique to DOE and is necessary to maintain human health and safety.

Section 203. Effective Date.

Title II shall take effect October 1, 1996.

RECOGNITION OF PROFESSOR SUNG-HOU KIM AND PROFESSOR CARL HUFFAKER

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 31, 1995

Mr. BAKER. Mr. Speaker, recently two outstanding citizens of my district of San Francisco's East Bay region have been recognized for their outstanding achievements in the field of science.

Professor Sung-Hou Kim of the University of California at Berkeley is one of the newest inductees of the prestigious National Academy of Science. A resident of Moraga, CA, Professor Kim is the first American of Korean ancestry to obtain membership in this exclusive organization, whose 1,700 members represent the finest in American science.

As Director of the Lawrence Berkeley National Laboratory's Biodynamics and Structural Biology Division, Professor Kim addresses questions relating to molecular communication and structure. His expertise in x-ray beams and molecular research is enabling him to make an important contribution in the development of cancer-fighting drugs, chemicals to