

purposes; which was ordered to lie on the table.

SA 2215. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2216. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2217. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2218. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2219. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2220. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2221. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2222. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2223. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2224. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2225. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2226. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2227. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2228. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2229. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2230. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2231. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, supra; which was ordered to lie on the table.

SA 2232. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2233. Mr. VOINOVICH submitted an amendment intended to be proposed to amendment SA 2170 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2234. Mr. CRAIG submitted an amendment intended to be proposed to amendment

SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2235. Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2236. Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2237. Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2238. Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

SA 2239. Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) supra; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 2214.** Mr. KYL submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**TITLE —ELECTRIC POWER INDUSTRY TAX MODERNIZATION**  
**SEC. 01. TAX-EXEMPT BOND FINANCING OF CERTAIN ELECTRIC FACILITIES.**

(a) RULES APPLICABLE TO ELECTRIC OUTPUT FACILITIES.—Subpart A of part IV of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to tax exemption requirements for State and local bonds) is amended by adding after section 141 the following new section:

**“SEC. 141A. ELECTRIC OUTPUT FACILITIES.**

“(a) ELECTION TO TERMINATE TAX-EXEMPT BOND FINANCING FOR CERTAIN ELECTRIC OUTPUT FACILITIES.—

“(1) IN GENERAL.—A governmental unit may make an irrevocable election under this paragraph to terminate the issuance of certain obligations described in section 103(a) for electric output facilities. If the governmental unit makes such election, then—

“(A) except as provided in paragraph (2), on or after the date of such election the governmental unit may not issue with respect to any electric output facility any bond the interest on which is excluded from gross income under section 103, and

“(B) notwithstanding paragraph (1) or (2) of section 141(a) or paragraph (4) or (5) of section 141(b), no bond—

“(i) which was issued by such unit with respect to an electric output facility before the date of enactment of this subsection, the interest on which was exempt from tax on such date,

“(ii) which is an eligible refunding bond that directly or indirectly refunds a bond issued prior to the date of enactment of this section, or

“(iii) which is described in paragraph (2)(D), (E), or (F),

shall be treated as a private activity bond.

“(2) EXCEPTIONS.—If an election is made under paragraph (1), paragraph (1)(A) does not apply to any of the following bonds:

“(A) Any qualified bond (as defined in section 141(e)).

“(B) Any eligible refunding bond (as defined in subsection (d)(6)).

“(C) Any bond issued to finance a qualifying transmission facility or a qualifying distribution facility owned by the governmental unit.

“(D) Any bond issued to finance equipment or facilities necessary to meet Federal or State environmental requirements applicable to an existing generation facility owned by the governmental unit.

“(E) Any bond issued to finance repair of any existing generation facility owned by the governmental unit. Repairs of facilities may not increase the generation capacity of the facility by more than 3 percent above the greater of its nameplate or rated capacity as of the date of enactment of this section.

“(F) Any bond issued to acquire or construct—

“(i) a qualified facility (as defined in section 45(c)(3)) if such facility is owned by the governmental unit and is placed in service during a period in which a qualified facility may be placed in service under such section, or

“(ii) any energy property (as defined in section 48(a)(3)) that is owned by the governmental unit.

This subparagraph shall not apply to any facility or property that is constructed, acquired or financed for the principal purpose of providing the facility (or the output thereof) to nongovernmental persons.

“(3) FORM AND EFFECT OF ELECTION.—

“(A) IN GENERAL.—An election under paragraph (1) shall be made in such a manner as the Secretary prescribes and shall be binding on any successor in interest to, or any related party with respect to, the electing governmental unit. For purposes of this paragraph, a governmental unit shall be treated as related to another governmental unit if it is a member of the same controlled group.

“(B) TREATMENT OF ELECTING GOVERNMENTAL UNIT.—A governmental unit which makes an election under paragraph (1) shall be treated for purposes of section 141 as a person which is not a governmental unit and which is engaged in a trade or business, with respect to its purchase of electricity generated by an electric output facility placed in service after such election, if such purchase is under a contract executed after such election.

“(4) DEFINITIONS.—For purposes of this subsection:

“(A) EXISTING GENERATION FACILITY.—The term ‘existing generation facility’ means an electric generation facility owned by the governmental unit on the date of enactment of this subsection and either in service on such date or the construction of which commenced prior to June 1, 2000.

“(B) QUALIFYING DISTRIBUTION FACILITY.—The term ‘qualifying distribution facility’ means a distribution facility over which

open access distribution services described in subsection (b)(2)(C) are available.

“(C) QUALIFYING TRANSMISSION FACILITY.—The term ‘qualifying transmission facility’ means a local transmission facility (as described in subsection (c)(3)(A)) over which open access transmission services described in subparagraph (A) or (B) of subsection (b)(2) are available.

“(b) PERMITTED OPEN ACCESS ACTIVITIES AND SALES TRANSACTIONS NOT A PRIVATE BUSINESS USE FOR BONDS THAT REMAIN SUBJECT TO PRIVATE USE RULES.—

“(1) GENERAL RULE.—For purposes of this section and section 141, the term ‘private business use’ shall not include a permitted open access activity or a permitted sales transaction.

“(2) PERMITTED OPEN ACCESS ACTIVITIES.—For purposes of this section, the term ‘permitted open access activity’ means any of the following transactions or activities with respect to an electric output facility owned by a governmental unit:

“(A) Providing nondiscriminatory open access transmission service and ancillary services—

“(i) pursuant to an open access transmission tariff filed with and approved by FERC, including an acceptable reciprocity tariff but, in the case of a voluntarily filed tariff, only if the governmental unit voluntarily files a report with the FERC within 90 days of the date of enactment of this section relating to whether or not the issuer will join a regional transmission organization,

“(ii) under an independent system operator or regional transmission organization agreement approved by FERC, or

“(iii) in the case of an ERCOT utility (as defined in section 212(k)(2)(B) of the Federal Power Act (16 U.S.C. 824k(k)(2)(B))), pursuant to a tariff approved by the Public Utility Commission of Texas.

“(B) Participation in—

“(i) an independent system operator agreement, or

“(ii) a regional transmission organization agreement,

which has been approved by FERC, or by the Public Utility Commission of Texas in the case of an ERCOT utility (as so defined). Such participation may include transfer of control of transmission facilities to an organization described in clause (i) or (ii).

“(C) Delivery on a nondiscriminatory open access basis of electric energy sold to end-users served by distribution facilities owned by such governmental unit.

“(D) Delivery on a nondiscriminatory open access basis of electric energy generated by generation facilities connected to distribution facilities owned by such governmental unit.

“(3) PERMITTED SALES TRANSACTION.—For purposes of this subsection, the term ‘permitted sales transaction’ means any of the following sales of electric energy from existing generation facilities (as defined in subsection (a)(4)(A)):

“(A) The sale of electricity to an on-system purchaser, if the seller makes available open access distribution service under paragraph (2)(C) and, in the case of a seller that owns or operates transmission facilities, if such seller makes available open access transmission under subparagraph (A) or (B) of paragraph (2).

“(B) The sale of electricity to a wholesale native load purchaser or in a wholesale stranded cost mitigation sale—

“(i) if the seller makes available open access transmission service described in subparagraph (A) or (B) of paragraph (2), or

“(ii) if the seller owns or operates no transmission facilities and transmission providers to the seller’s wholesale native load purchasers make available open access transmission service described in subparagraph (A) or (B) of paragraph (2).

“(4) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection:

“(A) ON-SYSTEM PURCHASER.—The term ‘on-system purchaser’ means a person whose electric facilities or equipment are directly connected with transmission or distribution facilities which are owned by such governmental unit, and such person—

“(i) purchases electric energy from such governmental unit at retail and either was within such unit’s distribution area in the base year or is a person as to whom the governmental unit has a service obligation, or

“(ii) is a wholesale native load purchaser from such governmental unit.

“(B) WHOLESALE NATIVE LOAD PURCHASER.—The term ‘wholesale native load purchaser’ means a wholesale purchaser as to whom the governmental unit had—

“(i) a service obligation at wholesale in the base year, or

“(ii) an obligation in the base year under a requirements contract, or under a firm sales contract that has been in effect for (or has an initial term of) at least 10 years,

but only to the extent that in either case such purchaser resells the electricity (I) directly at retail to persons within the purchaser’s distribution area or (II) indirectly through one or more intermediate wholesale purchasers (each of whom as of June 30, 2000, was a party to a requirements contract or a firm power contract described in clause (ii)) to retail purchasers in the ultimate wholesale purchaser’s distribution area.

“(C) WHOLESALE STRANDED COST MITIGATION SALE.—The term ‘wholesale stranded cost mitigation sale’ means one or more wholesale sales made in accordance with the following requirements:

“(i) A governmental unit’s allowable sales under this subparagraph during the recovery period may not exceed the sum of its annual load losses for each year of the recovery period.

“(ii) The governmental unit’s annual load loss for each year of the recovery period is the amount (if any) by which—

“(I) sales in the base year to wholesale native load purchasers which do not constitute a private business use, exceed

“(II) sales during that year of the recovery period to wholesale native load purchasers which do not constitute a private business use.

“(iii) If actual sales under this subparagraph during the recovery period are less than allowable sales under clause (i), the amount not sold (but not more than 10 percent of the aggregate allowable sales under clause (i)) may be carried over and sold as wholesale stranded cost mitigation sales in the calendar year following the recovery period.

“(D) RECOVERY PERIOD.—The recovery period is the 7-year period beginning with the start-up year.

“(E) START-UP YEAR.—The start-up year is whichever of the following calendar years the governmental unit elects:

“(i) The year the governmental unit first offers open transmission access.

“(ii) The first year in which at least 10 percent of the governmental unit’s wholesale customers’ aggregate retail native load is open to retail competition.

“(iii) The calendar year which includes the date of the enactment of this section, if later than the year described in clause (i) or (ii).

“(F) PERMITTED SALES TRANSACTIONS UNDER EXISTING CONTRACTS.—A sale to a wholesale native load purchaser (other than a person to whom the governmental unit had a service obligation) under a contract which resulted in private business use in the base year shall be treated as a permitted sales transaction only to the extent that sales under the contract exceed the lesser of—

“(i) in any year the private business use that resulted from the contract during the base year, or

“(ii) the maximum amount of private business use which could occur (absent the enactment of this section) without causing the bonds to be private activity bonds.

This subparagraph shall only apply to the extent that the sale is allocable to bonds issued prior to the date of enactment of this section (or bonds issued to refund such bonds).

“(G) TIME OF SALE RULE.—For purposes of paragraphs (C)(ii) and (F), private business use shall be determined under the law in effect in the year of the sale.

“(H) JOINT ACTION AGENCIES.—A joint action agency, or a member of (or a wholesale native load purchaser from) a joint action agency, which is entitled to make a sale described in subparagraph (A) or (B) in a year, may transfer the entitlement to make that sale to the member (or purchaser), or the joint action agency, respectively.

“(C) CERTAIN BONDS FOR TRANSMISSION AND DISTRIBUTION FACILITIES NOT TAX EXEMPT.—

“(1) GENERAL RULE.—For purposes of this title, no bond the interest on which is exempt from taxation under section 103 may be issued on or after the date of enactment of this subsection if any of the proceeds of such issue are used to finance—

“(A) any transmission facility which is not a local transmission facility, or

“(B) a start-up utility distribution facility.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply to—

“(A) any qualified bond (as defined in section 141(e)),

“(B) any eligible refunding bond (as defined in subsection (d)(6)), or

“(C) any bond issued to finance—

“(i) any repair of a transmission facility in service on the date of the enactment of this section, so long as the repair does not increase the voltage level over its level in the base year or increase the thermal load limit of the transmission facility by more than 3 percent over such limit in the base year,

“(ii) any qualifying upgrade of a transmission facility in service on the date of the enactment of this section, or

“(iii) a transmission facility necessary to comply with an obligation under a shared or reciprocal transmission agreement in effect on the date of enactment of this section.

“(3) LOCAL TRANSMISSION FACILITY DEFINITIONS.—For purposes of this subsection—

“(A) LOCAL TRANSMISSION FACILITY.—The term ‘local transmission facility’ means a transmission facility which is located within the governmental unit’s distribution area or which is, or will be, necessary to supply electricity to serve retail native load or wholesale native load of 1 or more governmental units. For purposes of this subparagraph, the distribution area of a public power authority which was created in 1931 by a State statute and which, as of January 1, 1999, owned at least one-third of the transmission circuit miles rated at 230 kV or higher in the State,

shall be determined under regulations of the Secretary.

“(B) RETAIL NATIVE LOAD.—The term ‘retail native load’ with respect to a governmental unit (or an entity other than a governmental unit that operates an electric utility) is the electric load of end-users in the distribution area of the governmental unit or entity.

“(C) WHOLESALE NATIVE LOAD.—The term ‘wholesale native load’ is—

“(i) the retail native load of such unit’s wholesale native load purchasers (or of an ultimate wholesale purchaser described in subsection (b)(4)(B)(ii)), and

“(ii) the electric load of purchasers (not described in clause (i)) under wholesale requirements contracts which—

“(I) do not constitute private business use under the rules in effect absent this subsection, and

“(II) were in effect in the base year.

“(D) NECESSARY TO SERVE LOAD.—For purposes of determining whether a transmission or distribution facility is, or will be, necessary to supply electricity to retail native load or wholesale native load—

“(i) the governmental unit’s available transmission rights shall be taken into account,

“(ii) electric reliability standards or requirements of national or regional reliability organizations, regional transmission organizations and the Electric Reliability Council of Texas shall be taken into account, and

“(iii) transmission, siting and construction decisions of regional transmission organizations or independent system operators and State and Federal regulatory and siting agencies, after a proceeding that provides for public input, shall be presumptive evidence regarding whether transmission facilities are necessary to serve native load.

“(E) QUALIFYING UPGRADE.—The term ‘qualifying upgrade’ means an improvement or addition to transmission facilities of the governmental unit in service on the date of enactment of this section which is ordered or approved by a regional transmission organization, by an independent system operator, or by a State regulatory or siting agency, after a proceeding that provides for public input.

“(4) START-UP UTILITY DISTRIBUTION FACILITY DEFINED.—For purposes of this subsection, the term ‘start-up utility distribution facility’ means any distribution facility to provide electric service to the public that is placed in service—

“(A) by a governmental unit that did not operate an electric utility on the date of the enactment of this section, and

“(B) during the first ten years after the date such governmental unit begins operating an electric utility.

A governmental unit is treated as having operated an electric utility on the date of the enactment of this section if it operates electric output facilities which were operated by another governmental unit to provide electric service to the public on such date.

“(d) DEFINITIONS; SPECIAL RULES.—For purposes of this section—

“(1) BASE YEAR.—The term ‘base year’ means the calendar year which includes the date of the enactment of this section or, at the election of the governmental unit, either of the 2 immediately preceding calendar years.

“(2) DISTRIBUTION AREA.—The term ‘distribution area’ means the area in which a governmental unit (or an entity other than a

governmental unit that operates an electric utility) owns distribution facilities.

“(3) ELECTRIC OUTPUT FACILITY.—The term ‘electric output facility’ means an output facility that is an electric generation, transmission, or distribution facility.

“(4) DISTRIBUTION FACILITY.—The term ‘distribution facility’ means an electric output facility that is not a generation or transmission facility.

“(5) TRANSMISSION FACILITY.—The term ‘transmission facility’ means an electric output facility (other than a generation facility) that operates at an electric voltage of 69 kV or greater, except that the owner of the facility may elect to treat any output facility that the FERC determines is a transmission facility under standards applied by FERC under the Federal Power Act as a transmission facility for purposes of this section.

“(6) ELIGIBLE REFUNDING BOND.—The term ‘eligible refunding bond’ means any State or local bond issued after an election described in subsection (a) that directly or indirectly refunds any bond described in section 103(a) (other than a qualified bond) issued before such election, if the weighted average maturity of the issue of which the refunding bond is a part does not exceed the remaining weighted average maturity of the bonds issued before the election. In applying such term for purposes of subsection (c)(2)(B), the date of election shall be deemed to be the date of the enactment of this section.

“(7) FERC.—The term ‘FERC’ means the Federal Energy Regulatory Commission.

“(8) GOVERNMENT-OWNED FACILITY.—An electric output facility shall be treated as ‘owned by a governmental unit’ if it is an electric output facility that either is—

“(A) owned or leased by such governmental unit, or

“(B) a transmission facility in which the governmental unit acquired before the base year long-term firm capacity for the purposes of serving customers to which the unit had at that time either—

“(i) a service obligation, or

“(ii) an obligation under a requirements contract.

“(9) REPAIR.—The term ‘repair’ shall include replacement of components of an electric output facility, but shall not include replacement of the facility either at one time or incrementally.

“(10) SERVICE OBLIGATION.—The term ‘service obligation’ means an obligation under State or Federal law (exclusive of an obligation arising solely under a contract entered into with a person) to provide electric distribution services or electric sales service, as provided in such law.

“(11) CONTRACT MODIFICATIONS.—A contract is treated as a new contract if it is substantially modified.

“(e) SAVINGS CLAUSE.—Subsection (b) does not affect the applicability of section 141 to (or the Secretary’s authority to prescribe, amend or rescind regulations respecting) (1) any transaction that is not a permitted open access transaction or permitted sales transaction, or (2) any facilities other than electric output facilities.”.

(b) REPEAL OF EXCEPTION FOR CERTAIN NON-GOVERNMENTAL ELECTRIC OUTPUT FACILITIES.—Section 141(d)(5) of the Internal Revenue Code of 1986 is amended by inserting “(except in the case of an electric output facility that is a distribution facility),” after “this subsection”.

(c) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter B of chapter 1 of the Internal Rev-

enue Code of 1986 is amended by inserting after the item relating to section 141 the following new item:

“Sec. 141A. Electric output facilities.”

(d) EFFECTIVE DATE; APPLICABILITY.—

(1) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of this Act, except that a governmental unit may elect to apply paragraphs (1) and (2) of section 141A(b), as added by subsection (a), with respect to permitted open access activities entered into on or after April 14, 1996.

(2) CERTAIN EXISTING AGREEMENTS.—The amendment made by subsection (b) (relating to repeal of the exception for certain non-governmental output facilities) does not apply to any acquisition of facilities made pursuant to an agreement that was entered into before the date of the enactment of this Act.

(3) APPLICABILITY.—References in this Act to sections of the Internal Revenue Code of 1986, shall be deemed to include references to comparable sections of the Internal Revenue Code of 1954.

#### SEC. 02. INDEPENDENT TRANSMISSION COMPANIES.

(a) SALES OR DISPOSITIONS TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—

(1) IN GENERAL.—Section 1033 of the Internal Revenue Code of 1986 (relating to involuntary conversions) is amended by redesignating subsection (k) as subsection (l), and by inserting after subsection (j) the following new subsection:

“(k) SALES OR DISPOSITIONS TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—

“(1) IN GENERAL.—For purposes of this subtitle, if a taxpayer elects the application of this subsection to a qualifying electric transmission transaction and the proceeds received from such transaction are invested in exempt utility property, such transaction shall be treated as an involuntary conversion to which this section applies. The part of the gain, if any, on a sale or exchange to which section 1033 is not applied by reason of section 1245 shall nevertheless not be recognized, if the taxpayer so elects, to the extent that it is applied to reduce the basis for determining gain or loss on sale or exchange of property, of a character subject to the allowance for depreciation under section 167, remaining in the hands of the taxpayer immediately after the sale or exchange, or acquired in the same taxable year. The manner and amount of such reduction shall be determined under regulations prescribed by the Secretary. Any election made by the taxpayer under this section shall be made by a statement to that effect in his return for the taxable year in which the sale or exchange takes place, and such election shall be binding for the taxable year and all subsequent taxable years.

“(2) EXTENSION OF REPLACEMENT PERIOD.—In the case of any involuntary conversion described in paragraph (1), subsection (a)(2)(B) shall be applied by substituting ‘4 years’ for ‘2 years’ in clause (i) thereof.

“(3) QUALIFYING ELECTRIC TRANSMISSION TRANSACTION.—For purposes of this subsection, the term ‘qualifying electric transmission transaction’ means any sale or other disposition of property used in the trade or business of electric transmission, or an ownership interest in a person whose primary trade or business consists of providing electric transmission services, to another person that is an independent transmission company.

“(4) INDEPENDENT TRANSMISSION COMPANY.—For purposes of this subsection, the term ‘independent transmission company’ means—

“(A) a regional transmission organization approved by the Federal Energy Regulatory Commission,

“(B) a person—

“(i) who the Federal Energy Regulatory Commission determines in its authorization of the transaction under section 203 of the Federal Power Act (16 U.S.C. 823b) is not a market participant within the meaning of such Commission’s rules applicable to regional transmission organizations, and

“(ii) whose transmission facilities to which the election under this subsection applies are placed under the operational control of a Federal Energy Regulatory Commission-approved regional transmission organization within the period specified in such order, but not later than the close of the replacement period, or

“(C) in the case of facilities subject to the exclusive jurisdiction of the Public Utility Commission of Texas, a person which is approved by that Commission as consistent with Texas State law regarding an independent transmission organization.

“(5) EXEMPT UTILITY PROPERTY.—For purposes of this subsection, the term ‘exempt utility property’ means—

“(A) property used in the trade or business of generating, transmitting, distributing, or selling electricity or producing, transmitting, distributing, or selling natural gas, or

“(B) stock acquired in the acquisition of control of a corporation whose primary trade or business consists of generating, transmitting, distributing, or selling electricity or producing, transmitting, distributing, or selling natural gas.

“(6) SPECIAL RULES FOR CONSOLIDATED GROUPS.—

“(A) INVESTMENT BY QUALIFYING GROUP MEMBERS.—

“(i) IN GENERAL.—This subsection shall apply to a qualifying electric transmission transaction engaged in by a taxpayer if the proceeds are invested in exempt utility property by a qualifying group member.

“(ii) QUALIFYING GROUP MEMBER.—For purposes of this subparagraph, the term ‘qualifying group member’ means any member of a consolidated group within the meaning of section 1502 and the regulations promulgated thereunder of which the taxpayer is also a member.

“(B) COORDINATION WITH CONSOLIDATED RETURN PROVISIONS.—A sale or other disposition of electric transmission property or an ownership interest in a qualifying electric transmission transaction, where an election is made under this subsection, shall not result in the recognition of income or gain under the consolidated return provisions of subchapter A of chapter 6. The Secretary shall prescribe such regulations as may be necessary to provide for the treatment of any exempt utility property received in a qualifying electric transmission transaction as successor assets subject to the application of such consolidated return provisions.

“(7) ELECTION.—Any election made by a taxpayer under this subsection shall be made by a statement to that effect in the return for the taxable year in which the qualifying electric transmission transaction takes place in such form and manner as the Secretary shall prescribe, and such election shall be binding for that taxable year and all subsequent taxable years.”

(2) SAVINGS CLAUSE.—Nothing in section 1033(k) of the Internal Revenue Code of 1986,

as added by subsection (a), shall affect Federal or State regulatory policy respecting the extent to which any acquisition premium paid in connection with the purchase of an asset in a qualifying electric transmission transaction can be recovered in rates.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to transactions occurring after the date of the enactment of this Act.

(b) DISTRIBUTIONS OF STOCK TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—

(1) IN GENERAL.—Section 355(e)(4) of the Internal Revenue Code of 1986 is amended by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively, and by inserting after subparagraph (B) the following new subparagraph:

“(C) DISTRIBUTIONS OF STOCK TO IMPLEMENT FEDERAL ENERGY REGULATORY COMMISSION OR STATE ELECTRIC RESTRUCTURING POLICY.—

“(i) IN GENERAL.—Paragraph (1) shall not apply to any distribution that is a qualifying electric transmission transaction. For purposes of this subparagraph, a ‘qualifying electric transmission transaction’ means any distribution of stock in a corporation whose primary trade or business consists of providing electric transmission services, where such stock is later acquired (or where the assets of such corporation are later acquired) by another person that is an independent transmission company.

“(ii) INDEPENDENT TRANSMISSION COMPANY.—For purposes of this subsection, the term ‘independent transmission company’ means—

“(I) a regional transmission organization approved by the Federal Energy Regulatory Commission,

“(II) a person who the Federal Energy Regulatory Commission determines in its authorization of the transaction under section 203 of the Federal Power Act (16 U.S.C. 824b) is not a market participant within the meaning of such Commission’s rules applicable to regional transmission organizations, and whose transmission facilities transferred as a part of such qualifying electric transmission transaction are placed under the operational control of a Federal Energy Regulatory Commission-approved regional transmission organization within the period specified in such order, but not later than the close of the replacement period (as defined in section 1033(k)(2)), or

“(III) in the case of facilities subject to the exclusive jurisdiction of the Public Utility Commission of Texas, a person that is approved by that Commission as consistent with Texas State law regarding an independent transmission organization.”

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to distributions occurring after the date of the enactment of this Act.

**SEC. 303. CERTAIN AMOUNTS RECEIVED BY ELECTRIC UTILITIES EXCLUDED FROM GROSS INCOME AS CONTRIBUTIONS TO CAPITAL.**

(a) IN GENERAL.—Subsection (c) of section 118 of the Internal Revenue Code of 1986 (relating to contributions to the capital of a corporation) is amended—

(1) by striking “WATER AND SEWAGE DISPOSAL” in the heading, and inserting “CERTAIN”;

(2) by striking “water or,” in the matter preceding subparagraph (A) of paragraph (1) and inserting “electric energy, water, or”;

(3) by striking “water or” in paragraph (1)(B) and inserting “electric energy (but not including assets used in the generation of electricity), water, or”;

(4) by striking “water or” in paragraph (2)(A)(ii) and inserting “electric energy (but not including assets used in the generation of electricity), water, or”;

(5) by inserting “such term shall include amounts paid as customer connection fees (including amounts paid to connect the customer’s line to an electric line or a main water or sewer line) and” after “except that” in paragraph (3)(A), and

(6) by striking “water or” in paragraph (3)(C) and inserting “electric energy, water, or”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received after the date of the enactment of this Act.

**SEC. 404. TAX TREATMENT OF NUCLEAR DECOMMISSIONING FUNDS.**

(a) INCREASE IN AMOUNT PERMITTED TO BE PAID INTO NUCLEAR DECOMMISSIONING RESERVE FUND.—Subsection (b) of section 468A of the Internal Revenue Code of 1986 (relating to special rules for nuclear decommissioning costs) is amended to read as follows:

“(b) LIMITATION ON AMOUNTS PAID INTO FUND.—

“(1) IN GENERAL.—The amount which a taxpayer may pay into the Fund for any taxable year during the funding period shall not exceed the level funding amount determined pursuant to subsection (d), except—

“(A) where the taxpayer is permitted by Federal or State law or regulation (including authorization by a public service commission) to charge customers a greater amount for nuclear decommissioning costs, in which case the taxpayer may pay into the Fund such greater amount, or

“(B) in connection with the transfer of a nuclear powerplant, where the transferor or transferee (or both) is required pursuant to the terms of the transfer to contribute a greater amount for nuclear decommissioning costs, in which case the transferor or transferee (or both) may pay into the Fund such greater amount.

“(2) CONTRIBUTIONS AFTER FUNDING PERIOD.—Notwithstanding any other provision of this section, a taxpayer may make deductible payments to the Fund in any taxable year between the end of the funding period and the termination of the license issued by the Nuclear Regulatory Commission for the nuclear powerplant to which the Fund relates provided such payments do not cause the assets of the Fund to exceed the nuclear decommissioning costs allocable to the taxpayer’s current or former interest in the nuclear powerplant to which the Fund relates. The foregoing limitation shall be applied by taking into account a reasonable rate of inflation for the nuclear decommissioning costs and a reasonable after-tax rate of return on the assets of the Fund until such assets are anticipated to be expended.”

(b) DEDUCTION FOR NUCLEAR DECOMMISSIONING COSTS WHEN PAID.—Paragraph (2) of section 468A(c) of the Internal Revenue Code of 1986 (relating to income and deductions of the taxpayer) is amended to read as follows:

“(2) DEDUCTION OF NUCLEAR DECOMMISSIONING COSTS.—In addition to any deduction under subsection (a), nuclear decommissioning costs paid or incurred by the taxpayer during any taxable year shall constitute ordinary and necessary expenses in carrying on a trade or business under section 162.”

(c) LEVEL FUNDING AMOUNTS.—Subsection (d) of section 468A of the Internal Revenue Code of 1986 is amended to read as follows:

“(d) LEVEL FUNDING AMOUNTS.—

“(1) ANNUAL AMOUNTS.—For purposes of this section, the level funding amount for

any taxable year shall equal the annual amount required to be contributed to the Fund in each year remaining in the funding period in order for the Fund to accumulate the nuclear decommissioning costs allocable to the taxpayer's current or former interest in the nuclear powerplant to which the Fund relates. The annual amount described in the foregoing sentence shall be calculated by taking into account a reasonable rate of inflation for the nuclear decommissioning costs and a reasonable after-tax rate of return on the assets of the Fund until such assets are anticipated to be expended.

“(2) FUNDING PERIOD.—The funding period for a Fund shall end on the last day of the last taxable year of the expected operating life of the nuclear powerplant.

“(3) NUCLEAR DECOMMISSIONING COSTS.—For purposes of this section—

“(A) IN GENERAL.—The term ‘nuclear decommissioning costs’ means all costs to be incurred in connection with entombing, decontaminating, dismantling, removing, and disposing of a nuclear powerplant, and shall include all associated preparation, security, fuel storage, and radiation monitoring costs. Such term shall include all such costs which, outside of the decommissioning context, might otherwise be capital expenditures.

“(B) IDENTIFICATION OF COSTS.—The taxpayer may identify nuclear decommissioning costs by reference either to a site-specific engineering study or to the financial assurance amount calculated pursuant to section 50.75 of title 10 of the Code of Federal Regulations.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid after June 30, 2000, in taxable years ending after such date.

**SA 2215.** Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

**SEC. .EFFECTIVE DATE.**

Notwithstanding any other provision of this Act, this Act and the amendments made by this Act shall take effect on October 1, 2004.

**SA 2216.** Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SEC. .EFFECTIVE DATE.**

Notwithstanding any other provision of this Act, this Act and the amendments made by this Act shall take effect on October 1, 2004.

**SA 2217.** Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. .EFFECTIVE DATE.**

Notwithstanding any other provision of this Act, this Act and the amendments made

by this Act shall take effect on October 1, 2003.

**SA 2218.** Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**SEC. .EFFECTIVE DATE.**

Notwithstanding any other provision of this Act, this Act and the amendments made by this Act shall take effect on October 1, 2003.

**SA 2219.** Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page \_\_\_ of the amendment, strike line \_\_\_ and all that follows through line \_\_\_ on page \_\_\_, and insert the following:

**TITLE \_\_\_—HUMAN CLONING PROHIBITION**

**SEC. \_\_\_01. SHORT TITLE.**

This title may be cited as the ‘Human Cloning Prohibition Act of 2001’.

**SEC. \_\_\_02. FINDINGS.**

Congress finds that—

(1) the National Bioethics Advisory Commission (referred to in this title as the ‘NBAC’) has reviewed the scientific and ethical implications of human cloning and has determined that the cloning of human beings is morally unacceptable;

(2) the NBAC recommended that Federal legislation be enacted to prohibit anyone from conducting or attempting human cloning, whether using Federal or non-Federal funds;

(3) the NBAC also recommended that the United States cooperate with other countries to enforce mutually supported prohibitions on human cloning;

(4) the NBAC found that somatic cell nuclear transfer (also known as nuclear transplantation) may have many important applications in medical research;

(5) the Institute of Medicine has found that nuclear transplantation may enable stem cells to be developed in a manner that will permit such cells to be transplanted into a patient without being rejected;

(6) the NBAC concluded that any regulatory or legislative actions undertaken to prohibit human cloning should be carefully written so as not to interfere with other important areas of research, such as stem cell research; and

(7)(A) biomedical research and clinical facilities engage in and affect interstate commerce;

(B) the services provided by clinical facilities move in interstate commerce;

(C) patients travel regularly across State lines in order to access clinical facilities; and

(D) biomedical research and clinical facilities engage scientists, doctors, and other staff in an interstate market, and contract for research and purchase medical and other supplies in an interstate market.

**SEC. \_\_\_03. PURPOSES.**

It is the purpose of this title to prohibit any attempt to clone a human being while protecting important areas of medical research, including stem cell research.

**SEC. \_\_\_04. PROHIBITION ON HUMAN CLONING.**

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

**“CHAPTER 16—PROHIBITION ON HUMAN CLONING**

“Sec.

“301. Prohibition on human cloning.

**“§ 301. Prohibition on human cloning**

“(a) DEFINITIONS.—In this section:

“(1) HUMAN CLONING.—The term ‘human cloning’ means asexual reproduction by implanting or attempting to implant the product of nuclear transplantation into a uterus.

“(2) HUMAN SOMATIC CELL.—The term ‘human somatic cell’ means a mature, diploid cell that is obtained or derived from a living or deceased human being at any stage of development.

“(3) NUCLEAR TRANSPLANTATION.—The term ‘nuclear transplantation’ means transferring the nucleus of a human somatic cell into an oocyte from which the nucleus or all chromosomes have been or will be removed or rendered inert.

“(4) NUCLEUS.—The term ‘nucleus’ means the cell structure that houses the chromosomes, and thus the genes.

“(5) OOCYTE.—The term ‘oocyte’ means the female germ cell, the egg.

“(b) PROHIBITIONS ON HUMAN CLONING.—It shall be unlawful for any person or other legal entity, public or private—

“(1) to conduct or attempt to conduct human cloning;

“(2) to ship the product of nuclear transplantation in interstate or foreign commerce for the purpose of human cloning in the United States or elsewhere; or

“(3) to use funds made available under any provision of Federal law for an activity prohibited under paragraph (1) or (2).

“(c) PROTECTION OF MEDICAL RESEARCH.—Nothing in this section shall be construed to restrict areas of biomedical and agricultural research or practices not expressly prohibited in this section, including research or practices that involve the use—

“(1) nuclear transplantation to produce human stem cells;

“(2) techniques to create exact duplicates of molecules, DNA, cells, and tissues;

“(3) mitochondrial, cytoplasmic or gene therapy; or

“(4) nuclear transplantation techniques to create nonhuman animals.

“(d) PENALTIES.—

“(1) IN GENERAL.—Whoever intentionally violates any provision of subsection (b) shall be fined under this title and imprisoned not more than 10 years.

“(2) CIVIL PENALTIES.—Whoever intentionally violates paragraph (1), (2), or (3) of subsection (b) shall be subject to a civil penalty of \$1,000,000 or three times the gross pecuniary gain resulting from the violation, whichever is greater.

“(3) CIVIL ACTIONS.—If a person is violating or about to violate the provisions of subsection (b), the Attorney General may commence a civil action in an appropriate Federal district court to enjoin such violation.

“(4) FORFEITURE.—Any property, real or personal, derived from or used to commit a violation or attempted violation of the provisions of subsection (b), or any property traceable to such property, shall be subject to forfeiture to the United States in accordance with the procedures set forth in chapter 46 of title 18, United States Code.

“(5) ADVISORY OPINIONS.—The Attorney General shall, upon request, render binding advisory opinions regarding the scope, applicability, interpretation, and enforcement of

this section with regard to specific research projects or practices.

“(e) COOPERATION WITH FOREIGN COUNTRIES.—It is the sense of Congress that the President should cooperate with foreign countries to enforce mutually supported restrictions on the activities prohibited under subsection (b).

“(f) RIGHT OF ACTION.—Nothing in this section shall be construed to give any individual or person a private right of action.

“(g) PREEMPTION OF STATE LAW.—The provisions of this section shall preempt any State or local law that prohibits or restricts research regarding, or practices constituting, nuclear transplantation, mitochondrial or cytoplasmic therapy, or the cloning of molecules, DNA, cells, tissues, organs, plants, animals, or humans.”.

(b) ETHICAL REQUIREMENTS FOR NUCLEAR TRANSPLANTATION RESEARCH.—Part H of title IV of the Public Health Service Act (42 U.S.C. 289 et seq.) is amended by adding at the end the following:

“SEC. 498C. ETHICAL REQUIREMENTS FOR NUCLEAR TRANSPLANTATION RESEARCH.

“(a) DEFINITIONS.—In this section:

“(1) HUMAN SOMATIC CELL.—The term ‘human somatic cell’ means a mature, diploid cell that is obtained or derived from a living or deceased human being at any stage of development.

“(2) NUCLEAR TRANSPLANTATION.—The term ‘nuclear transplantation’ means transferring the nucleus of a human somatic cell into an oocyte from which the nucleus or all chromosomes have been or will be removed or rendered inert.

“(3) NUCLEUS.—The term ‘nucleus’ means the cell structure that houses the chromosomes, and thus the genes.

“(4) OOCYTE.—The term ‘oocyte’ means the female germ cell, the egg.

“(b) APPLICABILITY OF FEDERAL ETHICAL STANDARDS TO NUCLEAR TRANSPLANTATION RESEARCH.—Research involving nuclear transplantation shall be conducted in accordance with the applicable provisions of part 46 of title 45, Code of Federal Regulations (as in effect on the date of enactment of the Human Cloning Prohibition Act of 2001).

“(c) CIVIL PENALTIES.—Whoever intentionally violates subsection (b) shall be subject to a civil penalty of not more than \$250,000.

“(d) ENFORCEMENT.—The Secretary of Health and Human Services shall have the exclusive authority to enforce this section.”.

**SA 2220.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, the \$15,000,000,000 transfer authorized under section 107(a) shall not take effect unless the Secretary of the Treasury finds that no portion of the transferred funds are attributable to the surplus in Social Security.”.

**SA 2221.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, the \$15,000,000,000 transfer authorized under section 107(a) shall not take effect unless the Secretary of the Treasury finds that no portion of the transferred funds are attributable to the surplus in Social Security or in Medicare.”.

**SA 2222.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, the reduction in the retirement age authorized by section 102 shall not take effect until the Secretary of the Treasury finds that there has been a comparable reduction in the Social Security retirement age.”.

**SA 2223.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of Act, the Board of Trustees created under section 105 shall invest the funds of the Trust only in a manner that maximizes return on investment, consistent with prudent risk management. Any railroad employee, retiree, survivor, or company may bring a civil action to enforce this section.”.

**SA 2224.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of Act, in the table in Section 3241(b) of the Internal Revenue Code of 1986 (as added by this Act) strike 22.1 and insert ‘such percentage as the Secretary determines necessary to restore the average account benefit ratio to 2.5.’.”.

**SA 2225.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, the Secretary of the Treasury shall not make the transfers authorized under Sec. 107(c)(1).”.

**SA 2226.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, any reduction in tax or increase in benefits shall take effect only to the degree that the Secretary of the Treasury finds that the actual earnings of the Railroad Retirement Investment Trust Fund are sufficient to fund them.”.

**SA 2227.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At end end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, section 105(c) shall not apply.”.

**SA 2228.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, any reduction in tax under section 204 shall be null and void in any year that the combined balances of the Railroad Retirement trust funds have been depleted by more than 10 percent as compared to the combined balances of the Railroad Retirement trust funds projected by the Railroad Retirement Board under employment assumption II as of the day before the date of enactment of this Act, and the Secretary of the Treasury shall apply the rate of tax necessary to restore the depleted funds.”.

**SA 2229.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, any reduction in tax under section 204 shall be null and void in any year that the combined balances of the Railroad Retirement trust funds have been depleted by more than 20 percent as compared to the combined balances of the Railroad Retirement trust funds projected by the Railroad Retirement Board under employment assumption II as of the day before the date of enactment of this Act, and the Secretary of the Treasury shall apply the rate of tax necessary to restore the depleted funds.”.

**SA 2230.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, any reduction in tax under section 204 shall be null and void in any year that the combined balances of the Railroad Retirement trust funds have been depleted by more than 40 percent as compared to the combined balances of the Railroad Retirement trust funds projected by the Railroad Retirement Board under employment assumption II as of the day before the date of

enactment of this Act, and the Secretary of the Treasury shall apply the rate of tax necessary to restore the depleted funds.”.

**SA 2231.** Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 10, to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

“SEC. . Notwithstanding any other provision of this Act, any reduction in tax under section 204 shall be null and void in any year that the combined balances of the Railroad Retirement trust funds have been depleted by more than 75 percent as compared to the combined balances of the Railroad Retirement trust funds projected by the Railroad Retirement Board under employment assumption II as of the day before the date of enactment of this Act, and the Secretary of the Treasury shall apply the rate of tax necessary to restore the depleted funds.”.

**SA 2232.** Mr. SMITH of New Hampshire submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10), to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, add the following:

**TITLE \_\_\_—METHYL TERTIARY BUTYL ETHER**

**SEC. \_\_\_ 1. SHORT TITLE.**

This title may be cited as the “Federal Reformulated Fuels Act of 2001”.

**SEC. \_\_\_ 2. LEAKING UNDERGROUND STORAGE TANKS.**

(a) USE OF LUST FUNDS FOR REMEDIATION OF MTBE CONTAMINATION.—Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended—

(1) in paragraph (7)(A)—

(A) by striking “paragraphs (1) and (2) of this subsection” and inserting “paragraphs (1), (2), and (12)”;

(B) by inserting “and section 9010” before “if”; and

(2) by adding at the end the following:

“(12) REMEDIATION OF MTBE CONTAMINATION.—

“(A) IN GENERAL.—The Administrator and the States may use funds made available under section 9011(1) to carry out corrective actions with respect to a release of methyl tertiary butyl ether that presents a threat to human health, welfare, or the environment.

“(B) APPLICABLE AUTHORITY.—Subparagraph (A) shall be carried out—

“(i) in accordance with paragraph (2); and

“(ii) in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).”.

(b) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by striking section 9010 and inserting the following:

**“SEC. 9010. RELEASE PREVENTION AND COMPLIANCE.**

“Funds made available under section 9011(2) from the Leaking Underground Storage Tank Trust Fund may be used for con-

ducting inspections, or for issuing orders or bringing actions under this subtitle—

“(1) by a State (pursuant to section 9003(h)(7)) acting under—

“(A) a program approved under section 9004; or

“(B) State requirements regulating underground storage tanks that are similar or identical to this subtitle; and

“(2) by the Administrator, acting under this subtitle or a State program approved under section 9004.

**“SEC. 9011. AUTHORIZATION OF APPROPRIATIONS.**

“In addition to amounts made available under section 2007(f), there are authorized to be appropriated from the Leaking Underground Storage Tank Trust Fund—

“(1) to carry out section 9003(h)(12), \$200,000,000 for fiscal year 2002, to remain available until expended; and

“(2) to carry out section 9010—

“(A) \$50,000,000 for fiscal year 2002; and

“(B) \$30,000,000 for each of fiscal years 2003 through 2007.”.

(c) TECHNICAL AMENDMENTS.—

(1) Section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901) is amended by striking the item relating to section 9010 and inserting the following:

“Sec. 9010. Release prevention and compliance.

“Sec. 9011. Authorization of appropriations.”

(2) Section 9001(3)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991(3)(A)) is amended by striking “substances” and inserting “substances”.

(3) Section 9003(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking “subsection (c) and (d) of this section” and inserting “subsections (c) and (d)”.

(4) Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991c(a)) is amended in the second sentence by striking “referred to” and all that follows and inserting “referred to in subparagraph (A) or (B), or both, of section 9001(2).”.

(5) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(A) in subsection (a), by striking “study taking” and inserting “study, taking”;

(B) in subsection (b)(1), by striking “relevant” and inserting “relevant”;

(C) in subsection (b)(4), by striking “Environmental” and inserting “Environmental”.

**SEC. \_\_\_ 3. AUTHORITY FOR WATER QUALITY PROTECTION FROM FUELS.**

(a) IN GENERAL.—Section 211(c) of the Clean Air Act (42 U.S.C. 7545(c)) is amended—

(1) in paragraph (1)(A)—

(A) by inserting “fuel or fuel additive or” after “Administrator any”;

(B) by striking “air pollution which” and inserting “air pollution, or water pollution, that”;

(2) in paragraph (4)(B), by inserting “or water quality protection,” after “emission control.”;

(3) by adding at the end the following:

“(5) BAN ON THE USE OF MTBE.—Not later than 4 years after the date of enactment of this paragraph, the Administrator shall ban use of methyl tertiary butyl ether in motor vehicle fuel.”.

(b) NO EFFECT ON LAW REGARDING STATE AUTHORITY.—The amendments made by subsection (a) have no effect on the law in effect on the day before the date of enactment of this Act regarding the authority of States to limit the use of methyl tertiary butyl ether in gasoline.

**SEC. \_\_\_ 4. WAIVER OF OXYGEN CONTENT REQUIREMENT FOR REFORMULATED GASOLINE.**

Section 211(k)(1) of the Clean Air Act (42 U.S.C. 7545(k)(1)) is amended—

(1) by striking “Within 1 year after the enactment of the Clean Air Act Amendments of 1990,” and inserting the following:

“(A) IN GENERAL.—Not later than November 15, 1991,”; and

(2) by adding at the end the following:

“(B) WAIVER OF OXYGEN CONTENT REQUIREMENT.—

“(i) AUTHORITY OF THE GOVERNOR.—

“(I) IN GENERAL.—Notwithstanding any other provision of this subsection, a Governor of a State, upon notification by the Governor to the Administrator during the 90-day period beginning on the date of enactment of this subparagraph, or during the 90-day period beginning on the date on which an area in the State becomes a covered area by operation of the second sentence of paragraph (10)(D), may waive the application of paragraphs (2)(B) and (3)(A)(v) to gasoline sold or dispensed in the State.

“(II) OPT-IN AREAS.—A Governor of a State that submits an application under paragraph (6) may, as part of that application, waive the application of paragraphs (2)(B) and (3)(A)(v) to gasoline sold or dispensed in the State.

“(ii) TREATMENT AS REFORMULATED GASOLINE.—In the case of a State for which the Governor invokes the waiver described in clause (i), gasoline that complies with all provisions of this subsection other than paragraphs (2)(B) and (3)(A)(v) shall be considered to be reformulated gasoline for the purposes of this subsection.

“(iii) EFFECTIVE DATE OF WAIVER.—A waiver under clause (i) shall take effect on the earlier of—

“(I) the date on which the performance standards under subparagraph (C) take effect; or

“(II) the date that is 270 days after the date of enactment of this subparagraph.

“(C) MAINTENANCE OF TOXIC AIR POLLUTANT EMISSION REDUCTIONS.—

“(i) IN GENERAL.—As soon as practicable after the date of enactment of this subparagraph, the Administrator shall—

“(I) promulgate regulations consistent with subparagraph (A) and paragraph (3)(B)(ii) to ensure that reductions of toxic air pollutant emissions achieved under the reformulated gasoline program under this section before the date of enactment of this subparagraph are maintained in States for which the Governor waives the oxygenate requirement under subparagraph (B)(i); or

“(II) determine that the requirement described in clause (iv)—

“(aa) is consistent with the bases for performance standards described in clause (ii); and

“(bb) shall be deemed to be the performance standards under clause (ii) and shall be applied in accordance with clause (iii).

“(ii) PADD PERFORMANCE STANDARDS.—The Administrator, in regulations promulgated under clause (i)(I), shall establish annual average performance standards for each Petroleum Administration for Defense District (referred to in this subparagraph as a ‘PADD’) based on—

“(I) the average of the annual aggregate reductions in emissions of toxic air pollutants achieved under the reformulated gasoline program in each PADD during calendar years 1999 and 2000, determined on the basis of the 1999 and 2000 Reformulated Gasoline Survey Data, as collected by the Administrator; and

“(II) such other information as the Administrator determines to be appropriate.

“(iii) APPLICABILITY.—

“(I) IN GENERAL.—The performance standards under this subparagraph shall be applied on an annual average importer or refinery-by-refinery basis to reformulated gasoline that is sold or introduced into commerce in a State for which the Governor waives the oxygenate requirement under subparagraph (B)(i).

“(II) MORE STRINGENT REQUIREMENTS.—The performance standards under this subparagraph shall not apply to the extent that any requirement under section 202(1) is more stringent than the performance standards.

“(III) STATE STANDARDS.—The performance standards under this subparagraph shall not apply in any State that has received a waiver under section 209(b).

“(IV) CREDIT PROGRAM.—The Administrator shall provide for the granting of credits for exceeding the performance standards under this subparagraph in the same manner as provided in paragraph (7).

“(iv) STATUTORY PERFORMANCE STANDARDS.—

“(I) IN GENERAL.—Subject to subclause (IV), if the regulations under clause (i)(I) have not been promulgated by the date that is 270 days after the date of enactment of this subparagraph, the requirement described in subclause (III) shall be deemed to be the performance standards under clause (ii) and shall be applied in accordance with clause (iii).

“(II) PUBLICATION IN FEDERAL REGISTER.—Not later than 30 days after the date of enactment of this subparagraph, the Administrator shall publish in the Federal Register, for each PADD, the percentage equal to the average of the annual aggregate reductions in the PADD described in clause (ii)(I).

“(III) TOXIC AIR POLLUTANT EMISSIONS.—The annual aggregate emissions of toxic air pollutants from baseline vehicles when using reformulated gasoline in each PADD shall be not greater than—

“(aa) the aggregate emissions of toxic air pollutants from baseline vehicles when using baseline gasoline in the PADD; reduced by

“(bb) the quantity obtained by multiplying the aggregate emissions described in item (aa) for the PADD by the percentage published under subclause (II) for the PADD.

“(IV) SUBSEQUENT REGULATIONS.—Through promulgation of regulations under clause (i)(I), the Administrator may modify the performance standards established under subclause (I) to require each PADD to achieve a greater percentage reduction than the percentage published under subclause (II) for the PADD.”

**SEC. 5. PUBLIC HEALTH AND ENVIRONMENTAL IMPACTS OF FUELS AND FUEL ADDITIVES.**

Section 211(b) of the Clean Air Act (42 U.S.C. 7545(b)) is amended—

(1) in paragraph (2)—

(A) by striking “may also” and inserting “shall, on a regular basis,”; and

(B) by striking subparagraph (A) and inserting the following:

“(A) to conduct tests to determine potential public health and environmental effects of the fuel or additive (including carcinogenic, teratogenic, or mutagenic effects); and”

(2) by adding at the end the following:

“(4) ETHYL TERTIARY BUTYL ETHER.—

“(A) IN GENERAL.—Not later than 2 years after the date of enactment of this paragraph, the Administrator shall—

“(i) conduct a study on the effects on public health, air quality, and water resources of

increased use of, and the feasibility of using as substitutes for methyl tertiary butyl ether in gasoline—

“(I) ethyl tertiary butyl ether; and

“(II) other ethers, as determined by the Administrator; and

“(ii) submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the results of the study.

“(B) CONTRACTS FOR STUDY.—In carrying out this paragraph, the Administrator may enter into 1 or more contracts with non-governmental entities.”

**SEC. 6. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.**

Section 211 of the Clean Air Act (42 U.S.C. 7545) is amended—

(1) by redesignating subsection (o) as subsection (p); and

(2) by inserting after subsection (n) the following:

“(o) ANALYSES OF MOTOR VEHICLE FUEL CHANGES AND EMISSIONS MODEL.—

“(1) ANTI-BACKSLIDING ANALYSIS.—

“(A) DRAFT ANALYSIS.—Not later than 4 years after the date of enactment of this subsection, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Federal Reformulated Fuels Act of 2001.

“(B) FINAL ANALYSIS.—After providing a reasonable opportunity for comment but not later than 5 years after the date of enactment of this subsection, the Administrator shall publish the analysis in final form.

“(2) EMISSIONS MODEL.—For the purposes of this subsection, as soon as the necessary data are available, the Administrator shall develop and finalize an emissions model that reasonably reflects the effects of fuel characteristics or components on emissions from vehicles in the motor vehicle fleet during calendar year 2005.”

**SEC. 7. ELIMINATION OF ETHANOL WAIVER.**

Section 211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is amended—

(1) by striking paragraph (4); and

(2) by redesignating paragraph (5) as paragraph (4).

**SEC. 8. ADDITIONAL OPT-IN AREAS UNDER REFORMULATED GASOLINE PROGRAM.**

Section 211(k)(6) of the Clean Air Act (42 U.S.C. 7545(k)(6)) is amended—

(1) by striking “(6) OPT-IN AREAS.—(A) Upon” and inserting the following:

“(6) OPT-IN AREAS.—

“(A) CLASSIFIED AREAS.—

“(i) IN GENERAL.—Upon”;

(2) in subparagraph (B), by striking “(B) If” and inserting the following:

“(ii) EFFECT OF INSUFFICIENT DOMESTIC CAPACITY TO PRODUCE REFORMULATED GASOLINE.—If”;

(3) in subparagraph (A)(ii) (as so redesignated)—

(A) in the first sentence, by striking “subparagraph (A)” and inserting “clause (i)”;

(B) in the second sentence, by striking “this paragraph” and inserting “this subparagraph”;

(4) by adding at the end the following:

“(B) NONCLASSIFIED AREAS.—

“(i) IN GENERAL.—In accordance with section 110, a State may submit to the Administrator, and the Administrator may approve, a State implementation plan revision that provides for application of the prohibition

specified in paragraph (5) in any portion of the State that is not a covered area or an area referred to in subparagraph (A)(i).

“(ii) PERIOD OF EFFECTIVENESS.—Under clause (i), the State implementation plan shall establish a period of effectiveness for applying the prohibition specified in paragraph (5) to a portion of a State that—

“(I) commences not later than 1 year after the date of approval by the Administrator of the State implementation plan; and

“(II) ends not earlier than 4 years after the date of commencement under subclause (I).”

**SEC. 9. MTBE MERCHANT PRODUCER CONVERSION ASSISTANCE.**

Section 211(c) of the Clean Air Act (42 U.S.C. 7545(c)) (as amended by section 3(a)(3)) is amended by adding at the end the following:

“(6) MTBE MERCHANT PRODUCER CONVERSION ASSISTANCE.—

“(A) IN GENERAL.—The Administrator may make grants to merchant producers of methyl tertiary butyl ether in the United States to assist the producers in the conversion of eligible production facilities described in subparagraph (B) to the production of other fuel additives that—

“(i) will be consumed in nonattainment areas;

“(ii) will assist the nonattainment areas in achieving attainment with a national primary ambient air quality standard;

“(iii) will not degrade air quality or surface or ground water quality or resources; and

“(iv) have been registered and tested in accordance with the requirements of this section.

“(B) ELIGIBLE PRODUCTION FACILITIES.—A production facility shall be eligible to receive a grant under this paragraph if the production facility—

“(i) is located in the United States; and

“(ii) produced methyl tertiary butyl ether for consumption in nonattainment areas during the period—

“(I) beginning on the date of enactment of this paragraph; and

“(II) ending on the effective date of the ban on the use of methyl tertiary butyl ether under paragraph (5).

“(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph \$250,000,000 for each of fiscal years 2002 through 2004.”

**SA 2233.** Mr. VOINOVICH submitted an amendment intended to be proposed to amendment SA 2170 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

On page 51, insert the following after Section 301 and redesignate accordingly:

**SEC. PRICE-ANDERSON REAUTHORIZATION.**

(a) INDEMNIFICATION OF LICENSEES.—Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) in the subsection heading, by striking “LICENSEES” and inserting “LICENSEES”;

(2) in the first sentence, by striking “August 1, 2001” and inserting “August 1, 2012”.

(b) REPORTS TO CONGRESS.—Section 170p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking “August 1, 1998” and inserting “August 1, 2008”.

(c) APPLICABILITY.—The amendments made by this section apply with respect to nuclear incidents occurring on or after the date of enactment of this Act.

**SEC. . ELIMINATION OF FOREIGN OWNERSHIP RESTRICTIONS.**

(a) **COMMERCIAL LICENSES.**—Section 103d. of the Atomic Energy Act of 1954 (42 U.S.C. 2133(d)) is amended by striking the second sentence.

(b) **MEDICAL THERAPY AND RESEARCH AND DEVELOPMENT.**—Section 104d. of the Atomic Energy Act of 1954 (42 U.S.C. 2134(d)) is amended by striking the second sentence.

**SEC. . SCOPE OF ENVIRONMENT REVIEW.**

(a) **IN GENERAL.**—Chapter 10 of title I of the Atomic Energy Act of 1954 (42 U.S.C. 2131 et seq.) is amended—

(1) by redesignating sections 110 and 111 as sections 111 and 112, respectively; and

(2) by inserting after section 109 the following:

**SEC. 110. SCOPE OF ENVIRONMENTAL REVIEW.**

“In conducting any environmental review (including any activity conducted under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332)) in connection with an application for a license or a renewed license under this chapter, the Commission shall not give any consideration to the need for, or any alternative to, the facility to be licensed.”

(b) **CONFORMING AMENDMENTS.**—

(1) The Atomic Energy Act of 1954 is amended—

(A) in the table of contents (42 U.S.C. prec. 2011), by striking the items relating to section 110 and inserting the following:

“Sec. 110. Scope of environmental review.

“Sec. 111. Exclusions.

**“SEC. 112. LICENSING BY NUCLEAR REGULATORY COMMISSION OF DISTRIBUTION OF CERTAIN MATERIALS BY DEPARTMENT OF ENERGY.”;**

(B) in the last sentence of section 57b. (42 U.S.C. 2077(b)), by striking “section 111 b.” and inserting “section 112b.”; and

(C) in section 131a.(2)(C), by striking “section 111 b.” and inserting “section 112b.”.

(2) Section 202 of the Energy Reorganization Act of 1974 (42 U.S.C. 5842) is amended—

(A) by striking “section 110 a.” and inserting “section 111a.”; and

(B) by striking “section 110 b.” and inserting “section 111b.”.

**SEC. . ELIMINATION OF DUPLICATIVE ANTI-TRUST REVIEW.**

Section 105 of the Atomic Energy Act of 1954 (42 U.S.C. 2135) is amended by striking subsection c. and inserting the following:

“(c.) **CONDITIONS.**

“(1) **IN GENERAL.**—A condition for a grant of a license imposed by the Commission under this section shall remain in effect until the condition is modified or removed by the Commission.

“(2) **MODIFICATION.**—If a person that is licensed to construct or operate a utilization or production facility applies for reconsideration under this section of a condition imposed in the person’s license, the Commission shall conduct a proceeding, on an expedited basis, to determine whether the license condition—

“(A) is necessary to ensure compliance with subsection a.; or

“(B) should be modified or removed.”.

On page 52, insert the following after Section 304 and redesignate accordingly:

**SEC. . HEARING PROCEDURES.**

Section 189a.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2239(a)(1)) is amended by adding at the end the following:

“(C) **HEARINGS.**—A hearing under this section shall be conducted using informal adjudicatory procedures unless the Commission determines that formal adjudicatory procedures are necessary—

“(i) to develop a sufficient record; or

“(ii) to achieve fairness.”.

**SEC. . AUTHORITY OVER FORMER LICENSEES FOR DECOMMISSIONING FUNDING.**

Section 161i. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(i)) is amended—

(1) by striking “and (3)” and inserting “(3)”;

(2) by inserting before the semicolon at the end the following: “, and (4) to ensure that sufficient funds will be available for the decommissioning of any production or utilization facility licensed under section 103 or 104b., including standards and restrictions governing the control, maintenance, use, and disbursement by any former licensee under this Act that has control over any fund for the decommissioning of the facility”.

**SEC. . ELIMINATION OF PENSION OFFSET.**

Section 161 of the Atomic Energy Act of 1954 (42 U.S.C. 2201) is amended by adding at the end the following:

“(y)” exempt from the application of sections 8344 and 8468 of title 5, United States Code, an annuitant who was formerly an employee of the Commission who is hired by the Commission as a consultant, if the Commission finds that the annuitant has a skill that is critical to the performance of the duties of the Commission.”.

On page 53, insert the following after Section 308 and redesignate accordingly

**SEC. . CONTRACTS WITH THE NATIONAL LABORATORIES.**

Section 170A of the Atomic Energy Act of 1954 (42 U.S.C. 2210a) is amended by striking subsection c. and inserting the following:

“(c) **CONTRACTS, AGREEMENTS, AND OTHER ARRANGEMENTS WITH THE NATIONAL LABORATORIES.**—Notwithstanding subsection b. and notwithstanding the potential for a conflict of interest that cannot be avoided, the Commission may enter into a contract, agreement, or other arrangement with a national laboratory if the Commission takes reasonable steps to mitigate the effect of the conflict of interest.”.

On page 108, insert the following after Section 2302 and redesignate accordingly:

**SEC. . NRC TRAINING PROGRAM.**

(a) **IN GENERAL.**—In order to maintain the human resources investment and infrastructure of the United States in the nuclear sciences, health physics, and engineering fields, in accordance with the statutory authorities of the Commission relating to the civilian nuclear energy program, the Nuclear Regulatory Commission shall carry out a training and fellowship program to address shortages of individuals with critical safety skills.

(b) **AUTHORIZATION OF APPROPRIATIONS—**

(1) **IN GENERAL.**—There are authorized to be appropriated to carry out this section \$1,000,000 for each of fiscal years 2002 through 2005.

(2) **AVAILABILITY.**—Funds made available under paragraph (1) shall remain available until expended.

**SA 2234.** Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

Strike sections 401 and 402 and insert the following:

**SEC. 401. ALTERNATIVE CONDITIONS.**

(a) **ALTERNATIVE MANDATORY CONDITIONS.**—Section 4 of the Federal Power Act (16 U.S.C.

797) is amended by adding at the end the following:

“(h)(1) Whenever any person applies for a license for any project works within any reservation of the United States under subsection (e), and the Secretary of the department under whose supervision such reservation falls (in this subsection referred to as the ‘Secretary’) shall deem a condition to such license to be necessary under the first proviso of such section, the license applicant may propose an alternative condition that will either—

“(A) cost less to implement, or

“(B) result in improved operation of the project works for electricity production.

“(2) Notwithstanding the first proviso of subsection (e), the Secretary shall accept the alternative condition proposed by the license applicant, and the Commission shall include in the license such alternative condition, if the Secretary determines that the alternative condition provides for the adequate protection and utilization of the reservation.

“(3) In making the determination set forth in subsection (2), the Secretary shall consult with and obtain the view of the Commission.

“(4) The Secretary shall submit to the Commission with any condition under subsection (e) or alternative condition it accepts under paragraph (2) a written statement explaining the basis for such condition and, if he determines not to accept an alternative condition proposed by the license applicant under paragraph (1), the basis for not accepting such alternative condition, along with all studies, data, and other information on which the Secretary based his decision.

“(5) The Commission shall place any statement, study, data, or other information received from the Secretary under paragraph (4) on the public record of the licensing proceeding.

“(6) The Secretary shall establish schedules for the submission of proposed conditions under paragraph (1) and the expedited review of the acceptance or rejection of proposed conditions under paragraph (2) that will enable the Secretary to submit conditions to the Commission in accordance with the Commission’s license application review schedule.”.

(b) **ALTERNATIVE FISHWAYS.**—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended by—

(1) inserting “(a)” before the first sentence; and

(2) adding at the end the following:

“(b)(1) Whenever the Commission shall require a licensee to construct, maintain, or operate a fishway prescribed by the Secretary of the Interior or the Secretary of Commerce under this section, the licensee may propose an alternative that will either—

“(A) cost less to implement, or

“(B) result in improved operation of the project works for electricity production.

“(2) Notwithstanding subsection (a), the Secretary of the Interior or the Secretary of Commerce, as appropriate, shall accept and prescribe, and the Commission shall require, the alternative proposed by the licensee, if the Secretary of the appropriate department determines that the alternative will be no less effective than the fishway initially prescribed by the Secretary.

“(3) In making the determination set forth in subsection (2), the Secretary shall consult with and obtain the view of the Commission.

“(4) The Secretary of the appropriate department shall submit to the Commission

with any fishway prescription under subsection (a) or alternative prescription it accepts under paragraph (2) a written statement explaining the basis of such prescription and, if it determines not to accept an alternative prescription proposed by the licensee under paragraph (1), the basis for not accepting such alternative prescription, along with all studies, data, and other information on which the Secretary based his decision.

(5) The Commission shall place any statement, study, data or other information received from the Secretary under paragraph (3) on the public record of the licensing proceeding.

(6) The Secretary of the appropriate department shall establish schedules for the submission of proposed conditions under paragraph (1) and the expedited review of the acceptance or rejection of proposed conditions under paragraph (2) that will enable the Secretary to submit conditions in accordance with the Commission's license application review schedule."

**SA 2235.** Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following and redesignate accordingly:

**SEC. 1. SHORT TITLE.**

This Act may be cited as the "Climate Change Risk Management Act of 2001".

**SEC. 2. FINDINGS.**

Congress finds that—

(1) human activities, namely energy production and use, contribute to increasing concentrations of greenhouse gases in the atmosphere, which may ultimately contribute to global climate change beyond that resulting from natural variability;

(2) although the science of global climate change has been advanced in the past ten years, the timing and magnitude of climate change-related impacts on the United States cannot currently be predicted with any reasonable certainty;

(3) furthermore, a recent National Research Council review of climate change science suggests that without an understanding of the sources and degree of uncertainty regarding climate change and its impacts, decision-makers could fail to define the best ways to manage the risk of climate change;

(4) despite this uncertainty, the potential impacts from human-induced climate change pose a substantial risk that should be managed in a responsible manner;

(5) given that the bulk of greenhouse gas emissions from human activities result from energy production and use, national and international energy policy decisions made now and in the longer-term future will influence the extent and timing of any climate change and resultant impacts from climate change later this century;

(6) the characteristics of greenhouse gases and the physical nature of the climate system require that stabilization of atmospheric greenhouse gas concentrations at any future level must be a long-term effort undertaken on a global basis;

(7) the characteristics of existing energy-related infrastructure and capital suggest that effective greenhouse gas management

efforts will depend on the development of long-term, cost-effective technologies and practices that can be demonstrated and deployed commercially in the United States and around the world;

(8) environmental progress, energy security, economic prosperity, and satisfaction of basic human needs are interrelated, particularly in developing countries;

(9) developing countries will constitute the major source of greenhouse gas emissions in the 21st century and the major source of increases in such emissions;

(10) any program to address the risks of climate change that does not fully include developing nations as integral participants will be ineffective;

(11) a new long-term, technology-based, cost-effective, flexible, and global strategy to ensure long-term energy security and manage the risk of climate change is needed, and should be promoted by the United States in its domestic and international activities in this regard.

**SEC. 3. DEFINITIONS.**

Title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381, et seq.) is amended by inserting before section 1601 the following:

**"SEC. 1600. DEFINITIONS.**

(1) **AGRICULTURAL ACTIVITY.**—The term "agricultural activity" means livestock production, cropland cultivation, biogas and other waste material recovery and nutrient management.

(2) **CLIMATE SYSTEM.**—The term "climate system" means the totality of the atmosphere, hydrosphere, biosphere and geosphere and their interactions.

(3) **CLIMATE CHANGE.**—The term "climate change" means a change in the state of the climate system attributed directly or indirectly to human activity which is in addition to natural climate variability observed over comparable time periods.

(4) **EMISSIONS.**—The term "emissions" means the net release of greenhouse gases and/or their precursors into the atmosphere over a specified area and period of time, after taking into account any reductions due to greenhouse gas sequestration.

(5) **GREENHOUSE GASES.**—The term "greenhouse gases" means those gaseous and aerosol constituents of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation.

(6) **SEQUESTRATION.**—The term "sequestration" means any process, activity or mechanism which removes a greenhouse gas or its precursor from the atmosphere or from emissions streams.

(7) **FOREST PRODUCTS.**—The term "forest products" means all products or goods manufactured from trees.

(8) **FORESTRY ACTIVITY.**—

(A) **IN GENERAL.**—The term "forestry activity" means any ownership or management action that has a discernible impact on the use and productivity of forests.

(B) **INCLUSIONS.**—Forestry activities include, but are not limited to, the establishment of trees on an area not previously forested, the establishment of trees on an area previously forested if a net carbon benefit can be demonstrated, enhanced forest management (including thinning, stand improvement, fire protection, weed control, nutrient application, pest management, and other silvicultural practices), forest protection or conservation if a net carbon benefit can be demonstrated, and production or use of biomass energy (including the use of wood, grass or other biomass in lieu of fossil fuel).

(C) **EXCLUSIONS.**—The term "forestry activity" does not include a land use change associated with—

(i) an act of war; or

(ii) an act of nature, including floods, storms, earthquakes, fires, hurricanes, and tornadoes."

**SEC. 4. NATIONAL CLIMATE CHANGE STRATEGY.**

(a) **IN GENERAL.**—Section 1601 of the Energy Policy Act of 1992 (42 U.S.C. 13381) is amended to read as follows:

**"SEC. 1601. NATIONAL CLIMATE CHANGE STRATEGY.**

(a) **IN GENERAL.**—The President, in consultation with appropriate Federal agencies and the Congress, shall develop and implement a national strategy to manage the risks posed by potential climate change.

(b) **GOAL.**—The strategy shall be consistent with the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992, in a manner that—

(1) does not result in serious harm to the U.S. economy;

(2) adequately provides for the energy security of the U.S.;

(3) establishes and maintains U.S. leadership with respect to climate change-related scientific research, development and deployment of advanced energy technology; and

(4) will result in a reduction in the ratio that the net U.S. greenhouse gas emissions bears to the U.S. gross domestic production.

(c) **ELEMENTS.**—The strategy shall include short-term and long-term strategies, programs and policies that—

(1) enhance the scientific knowledge base for understanding and evaluation of natural and human-induced climate change, including the role of climate feedbacks and all climate forcing agents;

(2) improve scientific observation, modeling, analysis and prediction of climate change and its impacts, and the economic, social and environmental risks posed by such impacts;

(3) assess the economic, social, and environmental costs and benefits of current and potential options to reduce, avoid, or sequester greenhouse gas emissions.

(4) develop and implement market-directed policies that reduce, avoid or sequester greenhouse gas emissions, including

(i) cost-effective Federal, State, tribal, and local policies, programs, standards and incentives;

(ii) policies and incentives to speed development, deployment and consumer adoption of advanced energy technologies in the U.S. and throughout the world; and

(iii) removal of regulatory barriers that impede the development, deployment and consumer adoption of advanced energy technologies in the U.S. and throughout the world; and

(iv) participation in international institutions, or the support of international activities, that are established or conducted to facilitate effective measures to implement the United Nations Framework Convention on Climate Change.

(5) advance areas where bilateral or multilateral cooperation and investment would lead to adoption of advanced technologies for use within developing countries to reduce, avoid or sequester greenhouse gas emissions;

(6) identify activities and policies that provide for adaptation to natural and human-induced climate change;

(7) recommend specific legislative or administrative activities, giving preference to cost-effective and technologically feasible measures that will—

(A) result in a reduction in the ratio that the net U.S. greenhouse gas emissions bears to the U.S. gross domestic product;

(B) avoid adverse short-term and long-term economic and social impacts on the United States; and

(C) foster such changes in institutional and technology systems as are necessary to mitigate or adapt to climate change and its impacts in the short-term and the long-term;

(8) designate federal, state, tribal or local agencies responsible for carrying out recommended activities and programs, and identify interagency entities or activities that may be needed to coordinate actions carried out consistent with this strategy.

(d) CONSULTATION.—This strategy shall be developed in a manner that provides for meaningful participation by, and consultation among, Federal, State, tribal, and local government agencies, non-governmental organizations, academia, scientific bodies, industry, the public, and other interested parties.

(e) BIENNIAL REPORT.—No later than one year after the date of enactment of this section, and at the end of each second year thereafter, the President shall submit to Congress a report that includes—

(1) a description of the national climate change strategy and its goals and Federal programs and activities intended to carry out this strategy through mitigation, adaptation, and scientific research activities;

(2) an evaluation of Federal programs and activities implemented as part of this strategy against the goals and implementation dates outlined in the strategy;

(3) a description of changes to Federal programs or activities implemented to carry out this strategy, in light of new knowledge of climate change and its impacts and costs or benefits, or technological capacity to improve mitigation or adaptation activities;

(4) a description of all Federal spending on climate change for the current fiscal year and each of the five years previous, categorized by Federal agency and program function (including scientific research, energy research and development, regulation, education and other activities);

(5) an estimate of the budgetary impact for the current fiscal year and each of the five years previous of any Federal tax credits, tax deductions or other incentives claimed by taxpayers that are directly or indirectly attributable to greenhouse gas emissions reduction activities; and

(6) an estimate of the amount, in metric tons, of greenhouse gas emissions reduced, avoided or sequestered directly or indirectly as a result of each spending program or tax credit, deduction or other incentive for the current fiscal year and each of the five years previous.

(f) REVIEW BY NATIONAL ACADEMIES.—

(1) IN GENERAL.—Not later than 90 days after the date of publication of the each biennial report as directed by this section, the President shall commission the National Academies to conduct a review of the national climate change strategy and implementation plan required by this section.

(2) CRITERIA.—The National Academies' review shall evaluate the goals and recommendations contained in the national climate change strategy report in light of—

(A) new or improved scientific knowledge regarding climate change and its impacts;

(B) new understanding of human social and economic responses to climate change, and responses of natural ecosystems to climate change;

(C) advancements in energy technologies that reduce, avoid, or sequester greenhouse gases or otherwise mitigate the risks of climate change;

(D) new or revised understanding of economic costs and benefits of mitigation or adaptation activities; and

(E) the existence of alternative policy options that could achieve the strategy goals at lower economic, environmental, or social cost.

(3) REPORT.—The National Academies shall prepare and submit to Congress and the President a report concerning the results of such review, along with any recommendations as appropriate. Such report shall also be made available to the public.

(4) DEFINITION.—For the purposes of this Section, the term "National Academies" means the National Research Council, the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine."

(b) CONFORMING AMENDMENT.—Section 1103(b) of the Global Climate Protection Act of 1987 (15 U.S.C. 2901) is amended by inserting "the Department of Energy, and other Federal agencies as appropriate" after "Environmental Protection Agency".

**SEC. 5. CLIMATE TECHNOLOGY RESEARCH, DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT PROGRAM.**

(a) IN GENERAL.—Section 1604 of the Energy Policy Act of 1992 (42 U.S.C. 13384) is amended to read as follows:

**"SEC. 1604. CLIMATE TECHNOLOGY RESEARCH, DEVELOPMENT, DEMONSTRATION AND DEPLOYMENT PROGRAM.**

(a) IN GENERAL.—The Secretary, in consultation with the Advisory Board established under section 2302, shall establish a long-term Climate Technology Research, Development, Demonstration, and Deployment Program, in accordance with sections 3001 and 3002.

(b) PROGRAM OBJECTIVES.—The program shall conduct a long-term research, development, demonstration and deployment program to foster technologies and practices that—

(1) reduce or avoid anthropogenic emissions of greenhouse gases;

(2) remove and sequester greenhouse gases from emissions streams; and

(3) remove and sequester greenhouse gases from the atmosphere.

(c) PROGRAM PLAN.—Not later than 1 year after the date of enactment of this Act, the Secretary shall prepare and submit to the Congress a 10-year program plan to guide activities under this section. Thereafter, the Secretary shall biennially update and resubmit the program plan to the Congress. In preparing the program plan, the Secretary shall:

(1) include quantitative technology performance and carbon emissions reduction goals, schedule milestones, technology approaches, Federal funding requirements, and non-Federal cost sharing requirements;

(2) consult with appropriate representatives of industry, institutions of higher education, Department of Energy national laboratories, and professional, scientific and technical societies;

(3) take into consideration how the Federal Government, acting through the Secretary, can be effective in ensuring the availability of such technologies when they are needed and how the Federal Government can most effectively cooperate with the private sector in the accomplishment of the goals set forth in subsection (b); and

(4) consider how activities funded under the program can be complementary to, and not duplicative of, existing research and development activities within the Department.

(d) SOLICITATION.—Not later than 1 year after the date of submission of the 10-year program plan, the Secretary shall solicit proposals for conducting activities con-

sistent with the 10-year plan and select one or more proposals not later than 180 days after such solicitations.

(e) PROPOSALS.—Proposals may be submitted by applicants or consortia from industry, institutions of higher education, or Department of Energy national laboratories. At minimum, each proposal shall also include the following:

(1) a multi-year management plan that outlines how the proposed research, development, demonstration and deployment activities will be carried out;

(2) quantitative technology goals and greenhouse gas emission reduction targets that can be used to measure performance against program objectives;

(3) the total cost of the proposal for each year in which funding is requested, and a breakdown of those costs by category;

(4) evidence that the applicant has in existence or has access to—

(i) the technical capability to enable it to make use of existing research support and facilities in carrying out the research objectives of the proposal;

(ii) a multi-disciplinary research staff experienced in technologies or practices able to sequester, avoid, or capture greenhouse gas emissions;

(iii) access to facilities and equipment to enable the conduct of laboratory-scale testing or demonstration of technologies or related processes undertaken through the program; and

(iv) commitment for matching funds and other resources from non-Federal sources, including cash, equipment, services, materials, appropriate technology transfer activities, and other assets directly related to the cost of the proposal;

(5) evidence that the proposed activities are supplemental to, and not duplicative of, existing research and development activities carried out, funded, or otherwise supported by the Department;

(6) a description of the technology transfer mechanisms and industry partnerships that the applicant will use to make available research results to industry and to other researchers;

(7) a statement whether the unique capabilities of Department of Energy national laboratories warrant collaboration with those laboratories, and the extent of any such collaboration proposed; and

(8) demonstrated evidence of the ability of the applicant to undertake and complete the proposed project, including the successful introduction of the technology into commerce.

(f) SELECTION OF PROPOSALS.—From the proposals submitted, the Secretary shall select for funding one or more proposals that will best accomplish the program objectives outlined in this section.

(g) ANNUAL REPORT.—The Secretary shall prepare and submit an annual report to Congress that—

(1) demonstrates that the program objectives are adequately focused, peer-reviewed for merit, and not unnecessarily duplicative of the science and technology research being conducted by other Federal agencies and programs,

(2) states whether the program as conducted in the prior year addresses an adequate breadth and range of technologies and solutions to address anthropogenic climate change; and

(3) evaluates the quantitative progress of funded proposals towards the program objectives outlined in this section, and the technology and greenhouse gas emission reduction, avoidance or sequestration goals as described in their respective proposals.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subtitle \$200,000,000 for each of fiscal years 2002 through 2011, to remain available until expended.”

(b) CONFORMING AMENDMENTS.—Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5905) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking “and” at the end;

(B) in paragraph (3) by striking the period at the end and inserting “, and”; and

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

“(4) solutions to the effective management of greenhouse gas emissions in the long term by the development of technologies and practices designed to—

(A) reduce or avoid anthropogenic emissions of greenhouse gases;

(B) remove and sequester greenhouse gases from emissions streams; and

(C) remove and sequester greenhouse gases from the atmosphere.”; and

(2) in subsection (b)—

(A) in paragraph (2), by striking “subsection (a)(1) through (3)” and inserting “paragraphs (1) through (4) of subsection (a)”; and

(B) in paragraph (3)—

(i) in subparagraph (R), by striking “and” at the end;

(ii) in subparagraph (S), by striking the period at the end and inserting “; and”; and

(iii) by adding at the end of the following:

“(T) to pursue a long-term climate technology strategy designed to demonstrate a variety of technologies by which stabilization of greenhouse gases might be best achieved, including accelerated research, development, demonstration and deployment of—

(i) renewable energy systems;

(ii) advanced fossil energy technology;

(iii) advanced nuclear power plant design;

(iv) fuel cell technology for residential, industrial and transportation applications;

(v) carbon sequestration practices and technologies, including agricultural and forestry practices that store and sequester carbon;

(vi) efficient electrical generation, transmission and distribution technologies; and

(vii) efficient end use energy technologies.”.

#### SEC. 6. INTERNATIONAL ENERGY TECHNOLOGY DEPLOYMENT PROGRAM.

Section 1608 of the Energy Policy Act of 1992 (42 U.S.C. 13387) is amended by striking subsection (1) and inserting the following:

“(1) INTERNATIONAL ENERGY TECHNOLOGY DEPLOYMENT PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) INTERNATIONAL ENERGY DEPLOYMENT PROJECT.—The term “international energy deployment project” means a project to construct an energy production facility outside the United States—

(i) the output of which will be consumed outside the United States; and

(ii) the deployment of which will result in a greenhouse gas reduction per unit of energy produced when compared to the technology that would otherwise be implemented of—

(I) 10 percentage points or more, in the case of a unit placed in service before January 1, 2010;

(II) 20 percentage points or more, in the case of a unit placed in service after December 31, 2009, and before January 1, 2020; or

(III) 30 percentage points or more, in the case of a unit placed in service after December 31, 2019, and before January 1, 2030.

(C) QUALIFYING INTERNATIONAL ENERGY DEPLOYMENT PROJECT.—The term “qualifying international energy deployment project” means an international energy deployment project that—

(i) is submitted by a United States firm to the Secretary in accordance with procedures established by the Secretary by regulation;

(ii) uses technology that has been successfully developed or deployed in the United States, or in another country as a result of a partnership with a company based in the United States;

(iii) meets the criteria of subsection (k);

(iv) is approved by the Secretary, with notice of the approval being published in the Federal Register; and

(v) complies with such terms and conditions as the Secretary establishes by regulation.

(D) UNITED STATES.—The term “United States”, when used in a geographical sense, means the 50 States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

#### (2) PILOT PROGRAM FOR FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall, by regulation, provide for a pilot program for financial assistance for qualifying international energy deployment projects.

(B) SELECTION CRITERIA.—After consultation with the Secretary of State, the Secretary of Commerce, and the United States Trade Representative, the Secretary shall select projects for participation in the program based solely on the criteria under this title and without regard to the country in which the project is located.

(C) FINANCIAL ASSISTANCE.—

(i) IN GENERAL.—A United States firm that undertakes a qualifying international energy deployment project that is selected to participate in the pilot program shall be eligible to receive a loan or a loan guarantee from the Secretary.

(ii) RATE OF INTEREST.—The rate of interest of any loan made under clause (i) shall be equal to the rate for Treasury obligations then issued for periods of comparable maturities.

(iii) AMOUNT.—The amount of a loan or loan guarantee under clause (i) shall not exceed 50 percent of the total cost of the qualified international energy deployment project.

(iv) DEVELOPED COUNTRIES.—Loans or loan guarantees made for projects to be located in a developed country, as listed in Annex I of the United Nations Framework Convention on Climate Change, shall require at least a 50% contribution towards the total cost of the loan or loan guarantee by the host country.

(v) DEVELOPING COUNTRIES.—Loans or loan guarantees made for projects to be located in a developed country (those countries not listed in Annex I of the United Nations Framework Convention on Climate Change) shall require at least a 10% contribution towards the total cost of the loan or loan guarantee by the host country.

(vi) CAPACITY BUILDING RESEARCH.—Proposals made for projects to be located in a developing country may include a research component intended to build technological capacity within the host country. Such research must be related to the technologies being deployed and must involve both an institution in the host country and an industry, university or national laboratory partic-

ipant from the United States. The host institution must contribute at least 50% of funds provided for the capacity building research.

(D) COORDINATION WITH OTHER PROGRAMS.—A qualifying international energy deployment project funded under this section shall not be eligible as a qualifying clean coal technology under section 415 of the Clean Air Act (42 U.S.C. 7651n).

(E) REPORT.—Not later than 5 years after the date of enactment of this section, the Secretary shall submit to the President and the Congress a report on the results of the pilot projects.

(F) RECOMMENDATIONS.—Not later than 60 days after receiving the report under subparagraph (E), the Secretary shall submit to Congress a recommendation concerning whether the financial assistance program under this section should be continued, expanded, reduced, or eliminated.

(G) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$100,000,000 for each of fiscal years 2002 through 2011, to remain available until expended.”

#### SEC. 7. NATIONAL GREENHOUSE GAS EMISSIONS REGISTRY.

Section 1605 of the Energy Policy Act of 1992 (42 U.S.C. 13385) is amended—

(1) by amending the second sentence of subsection (a) to read as follows:

“The Secretary shall annually update and analyze such inventory using available data, including, beginning in calendar year 2001, information collected as a result of voluntary reporting under subsection (b). The inventory shall identify for calendar year 2001 and thereafter the amount of emissions reductions attributed to those reported under subsection (b)”;

(2) by amending subsection (b)(1)(B) and (C) to read as follows—

“(B) annual reductions or avoidance of greenhouse gas emissions and carbon sequestration achieved through any measures, including agricultural activities, co-generation, appliance efficiency, energy efficiency, forestry activities that increase carbon sequestration stocks (including the use of forest products), fuel switching, management of crop lands, grazing lands, grasslands and drylands, manufacture or use of vehicles with reduced greenhouse gas emissions, methane recovery, ocean seeding, use of renewable energy, chlorofluorocarbon capture and replacement, and power plant heat rate improvement; and

(C) reductions in, or avoidance of, greenhouse gas emissions achieved as a result of voluntary activities domestically, or internationally, plant or facility closings, and State or Federal requirements.”.

(3) by striking in the first sentence of subsection (b)(2) the word “entities” and inserting “persons or entities” and in the second sentence of such subsection, by inserting after “Persons” the words “or entities”;

(4) by inserting in the second sentence of subsection (b)(4) the words “persons or” before “entity”;

(5) by adding after subsection (b)(4) the following new paragraphs—

“(5) RECOGNITION OF VOLUNTARY GREENHOUSE GAS EMISSIONS REDUCTION, AVOIDANCE, OR SEQUESTRATION.—To encourage new and increased voluntary efforts to reduce, avoid, or sequester emissions of greenhouse gases, the Secretary shall develop and establish a program of giving annual public recognition to all reporting persons and entities demonstrating voluntarily achieved greenhouse gases reduction, avoidance, or sequestration, pursuant to the voluntary collections and reporting guidelines issued under this section.

Such recognition shall be based on the information certified, subject to section 1001 of title 18, United States Code, by such persons or entities for accuracy as provided in paragraph 2 of this subsection, and shall include such information reported prior to the enactment of this paragraph. At a minimum such recognition shall annually be published in the Federal Register.

(6) REVIEW AND REVISION OF GUIDELINES.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this subparagraph, the Secretary of Energy, acting through the Administrator of the Energy Information Administration, shall conduct a review of guidelines established under this section regarding the accuracy and reliability of reports of greenhouse gas reductions and related information.

(B) CONTENTS.—The review shall include the consideration of the need for any amendments to such guidelines, including—

(i) a random or other verification process using the authorities available to the Secretary under other provisions of law;

(ii) a range of reference cases for reporting of project-based activities in sectors, including the measures specified in subparagraph (1)(B) of this subsection, and the inclusion of benchmark and default methodologies and best practices for use as reference cases for eligible projects;

(iii) issues, such as comparability, that are associated with the option of reporting on an entity-wide basis or on an activity or project basis; and

(iv) safeguards to address the possibility of reporting, inadvertently or otherwise, of some of all of the same greenhouse gas emissions reductions by more than one reporting entity or person and to make corrections where necessary;

(v) provisions that encourage entities or persons to register their certified, by appropriate and credible means, baseline emissions levels on an annual basis, taking into consideration all of their reports made under this section prior to the enactment of this paragraph;

(vi) procedures and criteria for the review and registration of ownership of all or part of any reported and verified emissions reductions relative to a reported baseline emissions level under this section; and

(vii) accounting provisions needed to allow for changes in registration of ownership of emissions reductions resulting from a voluntary private transaction between reporting entities or persons.

For the purposes of this paragraph, the term “reductions” means any and all activities taken by a reporting entity or person that reduce, avoid or sequester greenhouse gas emissions, or sequester greenhouse gases from the atmosphere.

(C) ECONOMIC ANALYSIS.—The review should consider the costs and benefits of any such amendments, the effect of such amendments on participation in this program, including by farmers and small businesses, and the need to avoid creating undue economic advantages or disadvantages for persons or entities in the private sector. The review should provide, where appropriate, a range of reasonable options that are consistent with the voluntary nature of this section and that will help further the purposes of this section.

(D) PUBLIC COMMENT AND SUBMISSION OF REPORT.—The findings of the review shall be made available in draft form for public comment for at least 45 days, and a report containing the findings of the review shall be submitted to Congress and the President no later than one year after date of enactment of this section.

(E) REVISION OF GUIDELINES.—If the Secretary, after consultation with the Administrator, finds, based on the study results, that changes to the program are likely to be beneficial and cost effective in improving the accuracy and reliability of reported greenhouse gas reductions and related information, are consistent with the voluntary nature of this section, and further the purposes of this section, the Secretary shall propose and promulgate changes to program guidelines based with such findings. In carrying out the provisions of this paragraph, the Secretary shall consult with the Secretary of Agriculture and the Administrator of the Small Business Administration to encourage greater participation by small business and farmers in addressing greenhouse gas emission reductions and reporting such reductions.

(F) PERIODIC REVIEW AND REVISION OF GUIDELINES.—The Secretary shall thereafter review and revise these guidelines at least once every 5 years, following the provisions for economic analysis, public review, and revision set forth in subsections (C) through (E) of this section.”

(6) in subsection (c), by inserting “the Secretary of the Department of Agriculture, the Secretary of the Department of Commerce, the Administrator of the Energy Information Administration, and” before “the Administrator”; and

(7) by adding at the end the following:

“(d) PUBLIC AWARENESS PROGRAM.—

(1) IN GENERAL.—The Secretary shall create and implement a public awareness program to educate all persons in the United States of—

(A) the direct benefits of engaging in voluntary greenhouse gas emissions reduction measures and having the emissions reductions certified under this section and available for use therein; and

(B) the case of use of the forms and procedures for having emissions reductions certified under this section.

(2) AGRICULTURAL AND SMALL BUSINESS OUTREACH.—The Secretary of Agriculture and the Administrator of the Small Business Administration shall assist the Secretary in creating and implementing a targeted public awareness program to encourage voluntary participation by small businesses and farmers.”

**SEC. 8. REVIEW OF FEDERALLY FUNDED ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT.**

(a) IN GENERAL.—Title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381 et seq.) is amended by adding the following new section:

**“SEC. 1610. REVIEW OF FEDERALLY FUNDED ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT.**

(a) DEPARTMENT OF ENERGY REVIEW.—

(1) IN GENERAL.—The Secretary shall review annually all federally funded research and development activities carried out with respect to energy technology; and submit to a report to Congress by October 15 of each year.

(2) ASSESSMENT OF TECHNOLOGY READINESS AND BARRIERS TO DEPLOYMENT.—As part of this review, the Secretary shall—

(A) assess the status and readiness (including the potential commercialization) of each energy technology and any regulatory or market barriers to deployment;

(B) consider—

(i) the length of time it will take for deployment and use of the energy technology and for the technology to have a meaningful impact on emission reductions;

(ii) the cost of deploying the energy technology; and

(iii) the safety of the energy technology;

(C) assess the available resource base for any energy resources used by the energy technology, and the potential for expanded sustainable use of the resource base; and

(D) recommend to Congress any changes in law or regulation deemed appropriate by the Secretary to hasten deployment and use of the energy technology.

(b) ENERGY TECHNOLOGY RESEARCH AND DEVELOPMENT CLEARINGHOUSE.—The Secretary shall establish an information clearinghouse to facilitate the transfer and dissemination of the results of federally funded research and development activities being carried out on energy technology subject to any restrictions or safeguards established for national security or the protection of intellectual property rights (including trade secrets and confidential business information protected under section 552(b)(4) of title 5, United States Code).”

(c) TECHNICAL AMENDMENT.—The table of contents of the Energy Policy Act of 1992 (106 Stat. 2776) is amended by inserting after the item relating to section 1609 the following:

“Sec. 1610. Review of federally funded energy technology research and development.”

**SEC. 9. OFFICE OF APPLIED ENERGY TECHNOLOGY AND GREENHOUSE GAS MANAGEMENT.**

Section 1603 of the Energy Policy Act of 1992 (42 U.S.C. 13383) is amended to read as follows:

**“SEC. 1603. OFFICE OF APPLIED ENERGY TECHNOLOGY AND GREENHOUSE GAS MANAGEMENT.**

(a) ESTABLISHMENT.—There is established by this section in the Department of Energy an Office of Applied Energy Technology and Greenhouse Gas Management.

(b) FUNCTION.—The Office shall—

(1) establish appropriate quantitative performance and deployment goals for energy technologies that reduce, avoid, or sequester emissions of greenhouse gases, provided that such goals are consistent with any national climate change strategy;

(2) manage domestic and international energy technology demonstration and deployment programs for energy technologies that reduce, avoid or sequester emissions of greenhouse gases, including those authorized under this title; provided that such programs supplement and do not replace existing energy research and development activities within the Department;

(3) facilitate the development of domestic and international cooperative research and development agreements (as that term is defined in section 12(d)(1) of the Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3710a(d)(1))), or similar cooperative, cost-shared partnerships with non-Federal organizations to accelerate the rate of domestic and international demonstration and deployment of energy technologies that reduce, avoid or sequester emissions of greenhouse gases;

(4) conduct necessary programs of monitoring, experimentation, and analysis of the technological, scientific, and economic viability of energy technologies that reduce, avoid, or sequester greenhouse gas emissions; and

(5) coordinate issues, policies, and activities for the Department regarding climate change and related energy matters pursuant to this title, and coordinate the issuance of such reports as may be required under this title.

(c) DIRECTOR.—The Secretary shall appoint a director of the Office, who—

(1) shall report to the Secretary;

(2) shall be compensated at no less than level IV of the Executive Schedule; and

(3) at the request of the Committees of the Senate and House of Representatives with appropriation and legislative jurisdiction over programs and activities of the Department of Energy, shall report to Congress on the activities of the Office.

(d) DUTIES.—The Director shall, in addition to performing all functions necessary to carry out the functions of the Office—

(1) in the absence of the Secretary, serve as the Secretary's representative for inter-agency and multilateral policy discussions of global climate change, including the activities of the Committee on Earth and Environmental Sciences as established by the Global Change Research Act of 1990 (15 U.S.C. 2921 et seq.);

(2) participate, in cooperation with other federal agencies, in the development and monitoring of domestic and international policies for their effects on any kind of climate change globally and domestically and on the generation, reduction, avoidance, and sequestration of greenhouse gases;

(3) develop and implement a balanced, scientific, non-advocacy educational and informational public awareness program on—

(A) potential climate change, including any known adverse and beneficial effects on the United States and the economy of the United States and the world economy, taking into consideration whether those effects are known or expected to be temporary, long-term, or permanent;

(B) the role of national energy policy in the determination of current and future emissions of greenhouse gases, particularly measures that develop advanced energy technologies, improve energy efficiency, or expand the use of renewable energy or alternative fuels; and

(C) the development of voluntary means and measures to mitigate or minimize significant adverse effects of climate change and, where appropriate, to adapt, to the greatest extent practicable, to climate change.

(4) provide, consistent with applicable provisions of law, public access to all information on climate change, effects of climate change, and adaptation to climate change; and

(5) in accordance with all law administered by the Secretary and other applicable Federal law and contracts, including patent and intellectual property laws, and in furtherance of the United Nations Framework Convention on Climate Change—

(i) identify for, and transfer, deploy, diffuse, and apply to, Parties to such Convention, including the United States, any technologies, practices, or processes which reduce, avoid, or sequester emissions of greenhouse gases if such technologies, practices or processes have been developed with funding from the Department of Energy or any of its facilities or laboratories; and

(ii) support reasonable efforts by the Parties to such convention, including the United States, to identify and remove legal, trade, financial, and other barriers to the use and application of any technologies, practices, or processes which reduce, avoid, or sequester emissions of greenhouse gases.”

#### SEC. 10. COORDINATION OF GLOBAL CHANGE RESEARCH.

(A) DEFINITIONS.—As used in this Section, the term—

(1) “Committee” means the Committee on Earth and Environmental Sciences estab-

lished under Section 102 of the Global Change Research Act of 1990 (15 U.S.C. 2933).

(2) “Program” means the United States Global Change Research Program established under Section 103 of the Global Change Research Act of 1990 (15 U.S.C. 2933).

(b) COORDINATION OF CLIMATE OBSERVATION ACTIVITIES.—At the direction of the Committee, the Director of the Program shall develop and implement activities within the Program that—

(1) coordinate system design and implementation and operation of a multi-user, multi-purpose long-term climate observing system for the measurement and monitoring of relevant climatic variables;

(2) carry out basic research, development and deployment of innovative scientific techniques and instruments (both in-situ and space-based) for measurement and monitoring of relevant climatic variables;

(3) coordinate Program activities to ensure the integrity and continuity of data records; including—

(i) calibration and inter-comparison of multiple instruments that measure the same climatic variable or set of variables;

(ii) backup instruments to ensure data record continuity; and

(iii) documentation of changes in instruments, observing practices, observing locations, sampling rates, processing algorithms and other changes;

(4) establish ongoing activities for the development, implementation, operation and management of climate-specific observational programs with special emphasis on activities that seek the most efficient and reliable means of observing the climate system;

(5) coordinate activities of the Program that contribute to the design, implementation, operation, and data management activities of international climate system observation networks; and

(6) establish and maintain a free and openly accessible national data management system for the storage, maintenance, and archival of climate observation data, with an emphasis on facilitating access to, use of and interpretation of such data by the scientific research community and the public.

(c) COORDINATION OF CLIMATE MODELING ACTIVITIES.—At the direction of the Committee, the Director of the Program shall develop and implement activities within the Program that—

(1) establish and periodically revise a national climate system modeling strategy designed to position the United States as a world leader in all aspects of climate system modeling;

(2) coordinate Program activities designed to carry out such a national climate system modeling strategy;

(3) carry out basic research, development and deployment of innovative computational techniques for climate system modeling;

(4) develop the intellectual and computational capacity to carry out climate system modeling activities to assess the potential consequences of climate change on the United States;

(5) carry out the continued development and inter-comparison of United States climate models with special emphasis on activities that—

(i) establish the ability of United States climate models to successfully reproduce the historical climate observational record;

(ii) incorporate new climate system processes or improve spatial temporal resolution of climate model simulations;

(iii) develop standardized tools and structures for climate model output, evaluation and programming design;

(iv) improve the accuracy and completeness of supporting data sets used to drive climate models; and

(v) reduce uncertainty in assessments of climate change and its impacts on the United States.

(6) coordinate activities of the Program that contribute to the design, implementation, operation, and data analysis activities of international climate system modeling inter-comparisons and assessments; and

(7) establish and maintain a free and openly accessible national data management system for the storage, maintenance, and archival of climate model code, auxiliary data, and results, with an emphasis on facilitating access to, use of and interpretation of such data by the scientific research community and the public.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2002 through 2004, to remain available until expended, and thereafter such sums as are necessary.

(e) USE OF EXISTING INFRASTRUCTURE.—In carry out new activities under subsections (b) and (c) of this section, the Program shall, where possible, use and incorporate existing Program activities and resources, such as Program Working Groups.

**SA 2236.** Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the amendment, insert the following:

Subtitle —Price-Anderson Act  
Reauthorization

#### SEC. 101. SHORT TITLE.

This subtitle may be cited as the “Price-Anderson Act Reauthorization Act of 2001”.

#### SEC. 102. INDEMNIFICATION AUTHORITY.

(a) MULTIPLE REACTORS.—Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended by adding after the first proviso and before: “Such primary financial protection. . . .”: “And provided further, That for multiple modular reactors located at a single site, a combination of such reactors (irrespective of whether they are licensed jointly or singly) having a total rated capacity between 100,000 and 950,000 electrical kilowatts shall, exclusively and only for the purpose of this section, be denominated a single facility having a rated capacity of 100,000 electrical kilowatts or more.”

(b) INDEMNIFICATION OF NRC LICENSEES.—Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking “August 1, 2002” each place it appears and inserting “August 1, 2012”.

(c) INDEMNIFICATION OF DOE CONTRACTORS.—Section 170 d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking “, until August 1, 2002,”.

(d) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking “August 1, 2002” each place it appears and inserting “August 1, 2012”.

#### SEC. 103. DOE LIABILITY LIMIT.

(a) AGGREGATE LIABILITY LIMIT.—Section 170 d. of the Atomic Energy Act of 1954 (42

U.S.C. 2210(d) is amended by striking subsection (2) and inserting the following:

“(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

“(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and

“(B) shall indemnify the persons indemnified against such claims above the amount of the financial protection required, in the amount of \$10,000,000,000 (subject to adjustment for inflation under subsection t.), in the aggregate, for all persons indemnified in connection with such contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.”.

(b) **CONTRACT AMENDMENTS.**—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking subsection (3) and inserting the following:

“(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on the date of the enactment of the Price-Anderson Amendments Act of 2001, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on such date.”.

#### SEC. 104. INCIDENTS OUTSIDE THE UNITED STATES.

(a) **AMOUNT OF INDEMNIFICATION.**—Section 170 d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking “\$100,000,000” and inserting “\$500,000,000”.

(b) **LIABILITY LIMIT.**—Section 170e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(4)) is amended by striking “\$100,000,000” and inserting “\$500,000,000”.

#### SEC. 105. REPORTS.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking “August 1, 1998” and inserting “August 1, 2008”.

#### SEC. 106. INFLATION ADJUSTMENT.

Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(a) by renumbering paragraph (2) as paragraph (3); and

(b) by adding after paragraph (1) the following new paragraph:

“(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following the date of the enactment of the Price-Anderson Amendments Act of 2001, in accordance with the aggregate percentage change in the Consumer Price Index since—

“(A) such date of enactment in the case of the first adjustment under this subsection; or

“(B) the previous adjustment under this subsection.”.

#### SEC. 107. CIVIL PENALTIES

(a) **REPEAL OF AUTOMATIC REMISSION.**—Section 234A b.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) is amended by striking the last sentence.

(b) **LIMITATION FOR NONPROFIT INSTITUTIONS.**—Section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282(a)) is further amended by striking subsection d. and inserting the following:

“d. Notwithstanding subsection a., no contractor, subcontractor, or supplier considered to be nonprofit under the Internal Revenue Code of 1954 shall be subject to a civil

penalty under this section in excess of the amount of the performance fee paid by the Secretary to such contractor, subcontractor, or supplier under the contract in the fiscal year under which the violation or violations occur.”.

#### SEC. 108. EFFECTIVE DATE.

(a) **IN GENERAL.**—The amendments made by this subtitle shall become effective on the date of the enactment of this subtitle.

(b) **INDEMNIFICATION PROVISIONS.**—The amendments made by sections 2103, 2104, and 2105 shall not apply to any nuclear incident occurring before the date of the enactment of this subtitle.

(c) **CIVIL PENALTY PROVISIONS.**—The amendments made by section 2108 to section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2281a(b)(2)) shall not apply to any violation occurring under a contract entered into before the date of the enactment of this subtitle.

**SA 2237.** Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the Amendment, insert the following:

#### SEC. . OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) **FINDINGS.**—Congress finds that—

(1) before the Federal Government takes any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel in the repository should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements; and

(2) national policy on spent nuclear fuel may evolve with time as improved technologies for spent fuel are developed or as national energy needs evolve.

(b) **DEFINITIONS.**—In this section:

(1) **ASSOCIATE DIRECTOR.**—The term “Associate Director” means the Associate Director of the Office.

(2) **OFFICE.**—The term “Office” means the Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(c) **ESTABLISHMENT.**—There is established an Office of Spent Nuclear Fuel Research within the Office of Nuclear Energy Science and Technology of the Department of Energy.

(d) **HEAD OF OFFICE.**—The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(e) **DUTIES OF THE ASSOCIATE DIRECTOR.**—

(1) **IN GENERAL.**—The Associate Director shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment, recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary.

(2) **PARTICIPATION.**—The Associate Director shall coordinate the participation of national laboratories, universities, the commercial nuclear industry, and other organizations in the investigation of technologies

for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste.

(3) **ACTIVITIES.**—The Associate Director shall—

(A) develop a research plan to provide recommendations by 2015;

(B) identify promising technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(C) conduct research and development activities for promising technologies;

(D) ensure that all activities include as key objectives minimization of proliferation concerns and risk to the health of the general public or site workers, as well as development of cost-effective technologies;

(E) require research on both reactor- and accelerator-based transmutation systems;

(F) require research on advanced processing and separations;

(G) include participation of international collaborators in research efforts, and provide funding to a collaborator that brings unique capabilities not available in the United States if the country in which the collaborator is located is unable to provide for their support; and

(H) ensure that research efforts are coordinated with research on advanced fuel cycles and reactors conducted by the Office of Nuclear Energy Science and Technology.

(f) **GRANT AND CONTRACT AUTHORITY.**—The Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in this section.

(g) **REPORT.**—The Associate Director shall annually submit to Congress a report on the activities and expenditures of the Office that describes the progress being made in achieving the objectives of this section.

**SA 2238.** Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the Amendment, insert the following:

#### SEC. . UNIVERSITY NUCLEAR SCIENCE AND ENGINEERING SUPPORT.

(a) **ESTABLISHMENT.**—The Secretary shall support a program to maintain the nation’s human resource investment and infrastructure in the nuclear sciences and engineering and related fields (including health physics and nuclear and radiochemistry), consistent with departmental missions related to civilian nuclear research and development.

(b) **DUTIES.**—In carrying out the program under this section, the Secretary shall—

(1) develop a graduate and undergraduate fellowship program to attract new and talented students;

(2) assist universities in recruiting and retaining new faculty in the nuclear sciences and engineering through a Junior Faculty Research Initiation Grant Program;

(3) support fundamental nuclear sciences and engineering research through the Nuclear Engineering Education Research Program;

(4) encourage collaborative nuclear research between industry, national laboratories and universities through the Nuclear Energy Research Initiative; and

(5) support communication and outreach related to nuclear science and engineering.

(c) MAINTAINING UNIVERSITY RESEARCH AND TRAINING REACTORS AND ASSOCIATED INFRASTRUCTURE.—Activities under this section may include:

(1) converting research reactors to low-enrichment fuels, upgrading operational instrumentation, and sharing of reactors among universities;

(2) providing technical assistance, in collaboration with the U.S. nuclear industry, in relicensing and upgrading training reactors as part of a student training program;

(3) providing funding for reactor improvements as part of a focused effort that emphasizes research, training, and education.

(d) UNIVERSITY-NATIONAL LABORATORY INTERACTIONS.—The Secretary shall develop—

(1) a sabbatical fellowship program for university professors to spend extended periods of time at National Laboratories in the areas of nuclear science and technology; and

(2) a visiting scientist program in which National Laboratory staff can spend time in academic nuclear science and engineering departments. The Secretary may provide for fellowships for students to spend time at National Laboratories in the area of nuclear science with a member of the Laboratory staff acting as a mentor.

(e) OPERATING AND MAINTENANCE COSTS.—Funding for a research project provided under this section may be used to offset a portion of the operating and maintenance costs of a university research reactor used in the research project, on a cost-shared basis with the university.

(f) AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 4401, the following amounts are authorized for activities under the section—

- (1) \$19,000,000 for fiscal year 2002;
- (2) \$33,000,000 for fiscal year 2003;
- (3) \$37,900,000 for fiscal year 2004;
- (4) \$43,600,000 for fiscal year 2005; and
- (5) \$50,100,000 for fiscal year 2006.

**SA 2239.** Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 2171 submitted by Mr. LOTT and intended to be proposed to the amendment SA 2170 proposed by Mr. DASCHLE to the bill (H.R. 10) to provide for pension reform, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the Amendment, insert the following:

**SEC. . ADVANCED ACCELERATOR APPLICATIONS PROGRAM.**

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to be known as the “Advanced Accelerator Applications Program”.

(b) MISSION.—The mission of the program is research, development and demonstration of comprehensive spent fuel management strategies, which emphasize avoidance of proliferation issues and have minimal environmental impact, along with reasonable economic prospects that include efficient utilization of the energy resource of spent nuclear fuel and of repositories for the final waste products.

(c) GOALS.—The Office of Nuclear Energy, Science, and Technology of the Department of Energy, called the Office in this section, shall develop goals for the overall program that lead to final waste forms derived from spent nuclear fuel that significantly decrease the long-term toxicity to levels well below that of the original spent fuel. Secondary goals may be developed by the Office to efficiently utilize resources developed within this program, such as production of radio isotopes for medical applications and production of tritium for defense missions.

(d) ADMINISTRATION.—The program shall be administered by the Office—

(1) in consultation with the Office of Civilian Radioactive Waste Management, for all activities relating to the impact of waste transmutation on repository requirements of transmutation or reprocessing of spent fuel; and

(2) in consultation with the National Nuclear Security Administration, for any activities related to tritium production.

(e) PARTICIPATION.—The Office shall encourage participation of international collaborators, industrial partners, national laboratories, and universities.

(f) PROGRAM.—The Office shall pursue research, development and demonstration programs consistent with the goals of the program. The program shall include evaluation of strategies that involve combinations of current or innovative reactor designs and/or accelerator-driven facilities.

(g) FACILITIES.—The Program shall utilize existing facilities, either domestic or international, whenever possible, and develop plans as required for new facilities required to demonstrate key aspects of a final system.

(h) ADDITIONAL GOALS.—The Secretary is empowered to add additional goals to the program that increase the efficient utilization of the resources required for the primary mission. Production of tritium by accelerator-based systems may be one of these additional goals.

(i) AUTHORIZATION OF APPROPRIATIONS.—From amounts authorized under section 4401, there are authorized to be appropriated \$70,000,000 in fiscal year 2002 and such sums as are required in subsequent years.

**PRIVILEGES OF THE FLOOR**

Mr. HATCH. Mr. President, I request unanimous consent that Jim Byrne, a staff fellow in my office, be given privileges of the floor during the pendency of consideration of the Railroad Retirement bill, as well as the Defense Authorization bill, S. 1438, and the Defense Appropriations bill, H.R. 3338.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent that Mark Zaineddin, a fellow in my office from the U.S. Department of Commerce, be granted floor privileges for the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

**UNANIMOUS CONSENT REQUEST—  
H.R. 2299**

Mr. REID. Mr. President, I ask unanimous consent that notwithstanding rule XXII, at 9:30 a.m., Tuesday, December 4, the Senate proceed to the conference report to accompany H.R. 2299, the Transportation appropriations bill; that the time be reduced to 60 minutes and divided as follows: 10 minutes each for the chair and ranking member of the subcommittee, Senator MURRAY and Senator SHELBY, as well as 10 minutes each for Senator DORGAN, Senator MCCAIN, and Senator GRAMM, and 5 minutes each for the chair and ranking member of the full committee; that the vote on adoption of the conference report occur on Tuesday at a time to be determined by the majority leader, following consultation with the Republican leader, without further intervening action.

The PRESIDING OFFICER. Without objection, it is so ordered.

**ORDERS FOR TUESDAY,  
DECEMBER 4, 2001**

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Tuesday, December 4; that immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate begin consideration of the Transportation appropriations conference report; further, that the Senate recess from 12:30 p.m. until 2:15 p.m. for the weekly party conferences, and that the time be charged against cloture on the Daschle substitute amendment, and that the time during the adjournment of the Senate also be charged against cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

**ADJOURNMENT UNTIL 9:30 A.M.  
TOMORROW**

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:39 p.m., adjourned until Tuesday, December 4, 2001, at 9:30 a.m.