STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY:  
S. 756. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from biomass, and for other purposes; to the Committee on Finance.

Mr. GRASSLEY. Mr. President, I rise today to introduce important tax legislation to help address the current energy shortage in our country. The legislation, entitled the “Growing Renewable Energy for Emerging Needs (GREEN) Act,” will extend and expand the tax credit for homegrown, clean-burning, renewable biomass.

As many of my colleagues know, I authorized the section 45 credit in the Senate Energy and Natural Resources Committee included in the Energy Policy Act of 1992. However, the tax credit for the production of energy from biomass is set to expire on January 1, 2002. For this reason, I am introducing legislation to extend and expand the credit to help sustain the many benefits derived from biomass.

Last month, I introduced S. 530 to extend the wind energy portion of section 45, which has been extremely successful. Today’s bill is to extend and expand the biomass portion of section 45 to include technologies such as biomass combustion and cofiring biomass with coal-fired facilities. Formerly, section 45 only allowed the use of closed-loop biomass fuels. The clean, controlled combustion of biomass, which consists of sawdust, tree trimmings, agricultural byproducts, and untreated construction debris, is another proven, effective technology that currently generates enormous pollution avoidance and waste management public benefits across the nation.

In addition, biomass energy displaces more polluting forms of energy generation while decreasing our dependence on foreign oil. Our national security is currently threatened by a heavy reliance on foreign oil.

Biomass can also produce enormous economic benefits for rural America. Rural economies will grow because of the development of a local industry to convert biomass to electricity. Moreover, studies show that biomass crops could produce between $2 to $5 billion in additional farm income.

In order to address the environmental, waste management, and the rural employment benefits that we could receive from the existing “open-loop” biomass facilities, my bill rewrites section 45 to allow tax credits for clean combustion and similar residues in these unique facilities.

Importantly, we have also ensured that the definition of qualifying biomass materials is limited to organic, nonhazardous materials that are clearly proven to burn cleanly without any pollution risk. Also, to allay any concern that biomass plants might burn paper and thus possibly jeopardize the amount of paper that is available to be recycled, I have specifically excluded paper that is commonly recycled from the list of materials that would qualify for the credit.

I believe this bill provides a common sense combination of current and new technologies to help maintain the economic, environmental and waste management benefits derived from biomass power. The current electric shortage in California and the soaring prices of home heating fuel and natural gas this winter are reasons enough to support and accelerate this renewable energy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 756
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Growing Renewable Energy for Emerging Needs (GREEN) Act.”

SEC. 2. CREDIT FOR ELECTRICITY PRODUCED FROM BIOMASS.

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking subparagraph (B) and inserting the following new subparagraph:

“(B) CLOSED-LOOP BIOMASS FACILITY.—In the case of a facility using closed-loop biomass to produce electricity, the term ‘qualified facility’ means any facility—

(i) owned by the taxpayer which is originally placed in service after December 31, 2001, and modified to use closed-loop biomass to co-fire with coal before January 1, 2007; and

(ii) of the taxpayer which is originally placed in service after December 31, 2002, and modified to use closed-loop biomass to co-fire with coal before January 1, 2007.”;

(2) by striking “2002” in subparagraph (C) and inserting “2007”, and

(3) by adding at the end the following new subparagraphs:

“(D) BIOMASS FACILITIES.—In the case of a facility using biomass (other than closed-loop biomass) to produce electricity, the term ‘qualified facility’ means any facility owned by the taxpayer which is originally placed in service before January 1, 2007.

(E) SPECIAL RULES.—In the case of a qualified facility described in subparagraph (B)(ii) or (D)—

(i) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph, and

(ii) subsection (b)(d) shall not apply to any such facility originally placed in service before January 1, 1997.”;

(b) BIOMASS FACILITIES.—

(1) IN GENERAL.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resource) is amended—

(A) by striking ‘‘and’’ at the end of subparagraph (B), (B) by striking the period at the end of subparagraph (C) and inserting ‘‘; and’’, and (C) by adding at the end the following new subparagraph:

“(D) biomass (other than closed-loop biomass).”.

(2) BIOMASS DEFINED.—Section 45(c)(1) of such Code (relating to definitions) is amended by adding at the end the following new subparagraph:

“(5) BIOMASS.—The term ‘biomass’ means any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which—

(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber;

(B) solid wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes), and landscape or right-of-way tree trimmings, but not including municipal solid waste (garbage), gas derived from the biodegradation of solid waste, or paper that is commonly recycled, or

(C) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products;

and (d) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced after the date of the enactment of this Act.

By Mr. SPECTER:
S. 757. A bill to designate the Federal building and United States courthouse located at 504 West Hamilton Street in Allentown, Pennsylvania, as the “Edward N. Cahn Federal Building and United States Courthouse”; to the Committee on Environment and Public Works.

Mr. SPECTER. Mr. President, I rise today to introduce legislation to name the Federal building and courthouse in Allentown, Pennsylvania for retired Judge Edward N. Cahn. Judge Cahn, a native Pennsylvanian and resident of the Lehigh Valley, earned a just distinction on the Federal bench for 23 years, including 5 years as chief judge.

Judge Cahn attended school at Lehigh University and graduated magna cum laude in 1955. He went on to receive a law degree from Yale University in 1958 and began practicing law in Allentown in 1959. His accomplishments on the basketball court as a 1,000 point scorer for Lehigh University translated into his later success in another court, when President Ford nominated him to be a federal judge in 1974.

Judge Cahn was instrumental in helping build Allentown’s new courthouse and the graceful and beautiful structure is a symbol for the resurgence of the Lehigh Valley, and it is only fitting that the courthouse should bear the name of an individual who did so much to help his community. His dedication to his work and fairness were well recognized throughout Pennsylvania and it is my hope that future jurists who serve in this courthouse will uphold those ideals.
On February 28, 2001, the House unanimously passed an identical measure, H.R. 558, introduced by my colleagues, Congressmen Patrick Toomey and Jim Nussle. I am hopeful that the Senate will also see fit to pass my bill, and I urge my colleagues to join me in honoring Judge Edward N. Cahn.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 797
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF EDWARD N. CAHN FEDERAL BUILDING AND UNITED STATES COURTHOUSE.

The Federal building and United States courthouse located at 501 West Hamilton Street in Allentown, Pennsylvania, shall be known and designated as the “Edward N. Cahn Federal Building and United States Courthouse”.

ARTICLES 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building and United States courthouse referred to in section 1 shall be deemed to be a reference to the “Edward N. Cahn Federal Building and United States Courthouse”.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 94–118, reappoints the Senator from West Virginia (Mr. Rockefeller) to the Japan–United States Friendship Commission.

ORDERS FOR TUESDAY, APRIL 24, 2001

Mr. Voinovich. Mr. President, I ask unanimous consent that when the Senate completes the business today, it adjourn until the hour of 9:30 a.m. on Tuesday, April 24. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Assistant legislative clerk proceed to call the roll.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. Voinovich. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order following the remarks of Senator Nelson of Florida.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Voinovich. I suggest the absence of the PRESIDING OFFICER.

ORDER FOR ADJOURNMENT

Mr. Nelson of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OIL DRILLING

Mr. Nelson of Florida. Mr. President, I rise to discuss a matter of critical importance to the State of Florida: that is, the prospect that soon, under the new administration, we might have the sale-for-lease tracts for offshore oil drilling off the coast of the State of Florida.

There has been in place presently a moratorium in one form or another since 1989 regarding drilling off the coast of the State of Florida. And there is presently offered, through this new administration, through the Department of the Interior, a proposed lease sale called “lease sale 181,” which comes within 30 miles of Perdido Key, which is in northwest Florida. It is explained by the new administration that most of the tract for lease is 100 miles off the coast. But there is indeed a part that comes to within a few miles of the coast of Alabama and close to the State of Florida-Alabama line. This lease tract would come within some 20 to 30 miles of the pristine white beaches of the State of Florida.

I can tell you that 16 million Americans residing in the State of Florida do not want drilling off the coast of our State and have spoken vigorously against it, which is why we have had a moratorium off the State of Florida.

Yet the administration continues to persist.

Now let me read for you a statement that was made by candidate George W. Bush in the past campaign. He made this statement at West Port Richey, north of Tampa, FL. He said at the time in the campaign, when asked about offshore oil drilling in Florida:

I'm going to work with your Governor about offshore drilling here in Florida. We are both against it.

Twice he said he was against it. But it is now his position to offer it. Just last week the Tampa Tribune, a very conservative editorial newspaper—in an editorial last Thursday, said:

Had George W. Bush openly supported the sale of these leases before the election, he would have lost Florida and the Presidency.

Now that is the truth. And promises are being broken. The fact is that they don't need to be because we could address our energy problem if we were wise by increasing our R&D on alternative fuels, on increased conservation. You don't have to produce your way out of the energy crisis. You can be a lot wiser with using alternative methods.

In the discussion of the budget, we saw some dramatic testimony showing that the consumption of energy in the United States, in large part, is allocated to transportation. Why should we not use research and development to build a new automobile that in fact can get 60 to 80 miles per gallon? That would cause a tremendous conservation of energy in this country. That is just one alternative, but it is an alternative we ought to explore and keep the promises that were made in the election.

This whole matter of offshore oil drilling suddenly caught my attention back in the early 1980s, when, as a junior Congressman, I went to work with the Appropriations Committee in the House to get them to insert language that would say in the Department of the Interior appropriations bill: No money may be used under this appropriations act for the purpose of offering oil and gas leases in tracts such-and-such—and then we described all of the tracts that were being offered.

We won in that year in the Appropriations Committee because of bringing to that committee dramatic testimony from Florida. We would argue that the environmental and economic damage to our State if waves of oil were lapping up onto the beaches of Florida—not only environmental damage, but economic damage as well, particularly considering Florida's tremendous tourism industry.

Well, I thought my fight was over. But sure enough, after a year's lapse,