

and Mr. SHELBY) to the bill S. 2284, *supra*; which was ordered to lie on the table.

SA 4731. MR. THUNE (for himself and Mr. JOHNSON) submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, *supra*; which was ordered to lie on the table.

SA 4732. MR. PRYOR (for himself and Mrs. LINCOLN) submitted an amendment intended to be proposed by him to the bill S. 2284, *supra*; which was ordered to lie on the table.

#### TEXT OF AMENDMENTS

**SA 4713.** Mrs. DOLE submitted an amendment intended to be proposed by her to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 25, line 2, strike “; and” and insert a semicolon.

On page 25, line 5, strike the period and insert a semicolon.

On page 25, between lines 5 and 6, insert the following:

(M) a representative of a State agency that has entered into a cooperating technical partnership with the Director and has demonstrated the capability to produce flood insurance rate maps; and

(N) a representative of a local government agency that has entered into a cooperating technical partnership with the Director and has demonstrated the capability to produce flood insurance rate maps.

**SA 4714.** Mr. SCHUMER (for himself, Mrs. CLINTON, and Mr. NELSON of Florida) submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, add the following:

#### SEC. 133. MULTIPERIL COVERAGE FOR FLOOD AND WINDSTORM.

(a) IN GENERAL.—Section 1304 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011) is amended—

(1) by redesignating subsection (c) as subsection (d); and

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

##### “(c) MULTIPERIL COVERAGE FOR DAMAGE FROM FLOOD OR WINDSTORM.—

“(1) IN GENERAL.—Subject to paragraph (8), the national flood insurance program established pursuant to subsection (a) shall enable the purchase of optional insurance against loss resulting from physical damage to or loss of real property or personal property related thereto located in the United States arising from any flood or windstorm, subject to the limitations in this subsection and section 1306(b).

“(2) COMMUNITY PARTICIPATION REQUIREMENT.—Multiperil coverage pursuant to this subsection may not be provided in any area (or subdivision thereof) unless an appropriate public body shall have adopted adequate mitigation measures (with effective enforcement provisions) which the Director finds are consistent with the criteria for con-

struction described in the International Code Council building codes relating to wind mitigation.

“(3) PROHIBITION AGAINST DUPLICATIVE COVERAGE.—Multiperil coverage pursuant to this subsection may not be provided with respect to any structure (or the personal property related thereto) for any period during which such structure is covered, at any time, by flood insurance coverage made available under this title.

“(4) NATURE OF COVERAGE.—Multiperil coverage pursuant to this subsection shall—

“(A) cover losses only from physical damage resulting from flooding or windstorm; and

“(B) provide for approval and payment of claims under such coverage upon proof that such loss must have resulted from either windstorm or flooding, but shall not require for approval and payment of a claim that the specific cause of the loss, whether windstorm or flooding, be distinguished or identified.

“(5) ACTUARIAL RATES.—Multiperil coverage pursuant to this subsection shall be made available for purchase for a property only at chargeable risk premium rates that, based on consideration of the risks involved and accepted actuarial principles, and including operating costs and allowance and administrative expenses, are required in order to make such coverage available on an actuarial basis for the type and class of properties covered.

“(6) TERMS OF COVERAGE.—The Director shall, after consultation with persons and entities referred to in section 1306(a), provide by regulation for the general terms and conditions of insurability which shall be applicable to properties eligible for multiperil coverage under this subsection, subject to the provisions of this subsection, including—

“(A) the types, classes, and locations of any such properties which shall be eligible for such coverage, which shall include residential and nonresidential properties;

“(B) subject to paragraph (7), the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such coverage;

“(C) the classification, limitation, and rejection of any risks which may be advisable;

“(D) appropriate minimum premiums;

“(E) appropriate loss deductibles; and

“(F) any other terms and conditions relating to insurance coverage or exclusion that may be necessary to carry out this subsection.

“(7) LIMITATIONS ON AMOUNT OF COVERAGE.—The regulations issued pursuant to paragraph (6) shall provide that the aggregate liability under multiperil coverage made available under this subsection shall not exceed the lesser of the replacement cost for covered losses or the following amounts, as applicable:

“(A) RESIDENTIAL STRUCTURES.—In the case of residential properties, which shall include structures containing multiple dwelling units that are made available for occupancy by rental (notwithstanding any treatment or classification of such properties for purposes of section 1306(b))—

“(i) for any single-family dwelling, \$500,000;

“(ii) for any structure containing more than 1 dwelling unit, \$500,000 for each separate dwelling unit in the structure, which limit, in the case of such a structure containing multiple dwelling units that are made available for occupancy by rental, shall be applied so as to enable any insured or applicant for insurance to receive coverage for the structure up to a total amount that is equal to the product of the total

number of such rental dwelling units in such property and the maximum coverage limit per dwelling unit specified in this clause; and

“(iii) \$150,000 per dwelling unit for—

“(I) any contents related to such unit; and

“(II) any necessary increases in living expenses incurred by the insured when losses from flooding or windstorm make the residence unfit to live in.

“(B) NONRESIDENTIAL PROPERTIES.—In the case of nonresidential properties (including church properties)—

“(i) \$1,000,000 for any single structure; and

“(ii) \$750,000 for—

“(I) any contents related to such structure; and

“(II) in the case of any nonresidential property that is a business property, any losses resulting from any partial or total interruption of the insured's business caused by damage to, or loss of, such property from flooding or windstorm, except that for purposes of such coverage, losses shall be determined based on the profits the covered business would have earned, based on previous financial records, had the flood or windstorm not occurred.

“(8) REQUIREMENT TO CEASE OFFERING COVERAGE IF BORROWING TO PAY CLAIMS.—If at any time the Director utilizes the borrowing authority under section 1309(a) for the purpose of obtaining amounts to pay claims under multiperil coverage made available under this subsection, the Director may not, during the period beginning upon the initial such use of such borrowing authority and ending upon repayment to the Secretary of the Treasury of the full amount of all outstanding notes and obligations issued by the Director for such purpose, together with all interest owed on such notes and obligations, enter into any new policy, or renew any existing policy, for coverage made available under this subsection.

“(9) EFFECTIVE DATE.—This subsection shall take effect on, and shall apply beginning on, June 30, 2008.”

(b) PROHIBITION AGAINST DUPLICATIVE COVERAGE.—Chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), as amended by section 26, is further amended by adding at the end the following:

#### SEC. 1315. PROHIBITION AGAINST DUPLICATIVE COVERAGE.

“Flood insurance under this title may not be provided with respect to any structure (or the personal property related thereto) for any period during which such structure is covered, at any time, by multiperil insurance coverage made available pursuant to section 1304(c).”

(c) COMPLIANCE WITH STATE AND LOCAL LAW.—Section 1316 of the National Flood Insurance Act of 1968 (42 U.S.C. 4023) is amended—

(1) by inserting “(a) FLOOD PROTECTION MEASURES.” before “No new”; and

(2) by adding at the end the following new subsection:

“(b) WINDSTORM PROTECTION MEASURES.—No new multiperil coverage shall be provided under section 1304(c) for any property that the Director finds has been declared by a duly constituted State or local zoning authority, or other authorized public body to be in violation of State or local laws, regulations, or ordinances, which are intended to reduce damage caused by windstorms.”

(d) CRITERIA FOR LAND MANAGEMENT AND USE.—Section 1361 of the National Flood Insurance Act of 1968 (42 U.S.C. 4102) is amended by adding at the end the following new subsection:

“(d) WINDSTORMS.—

**(1) STUDIES AND INVESTIGATIONS.**—The Director shall carry out studies and investigations under this section to determine appropriate measures in wind events as to wind hazard prevention, and may enter into contracts, agreements, and other appropriate arrangements to carry out such activities. Such studies and investigations shall include laws, regulations, and ordinance relating to the orderly development and use of areas subject to damage from windstorm risks, and zoning building codes, building permits, and subdivision and other building restrictions for such areas.

**(2) CRITERIA.**—On the basis of the studies and investigations pursuant to paragraph (1) and such other information as may be appropriate, the Director shall establish comprehensive criteria designed to encourage, where necessary, the adoption of adequate State and local measures which, to the maximum extent feasible, will assist in reducing damage caused by windstorms, discourage density and intensity or range of use increases in locations subject to windstorm damage, and enforce restrictions on the alteration of wetlands coastal dunes and vegetation and other natural features that are known to prevent or reduce such damage.

**(3) COORDINATION WITH STATE AND LOCAL GOVERNMENTS.**—The Director shall work closely with and provide any necessary technical assistance to State, interstate, and local governmental agencies, to encourage the application of criteria established under paragraph (2) and the adoption and enforcement of measures referred to in such paragraph.”.

**(e) DEFINITIONS.**—Section 1370 of the National Flood Insurance Act of 1968 (42 U.S.C. 4121) is amended—

(1) in paragraph (14), by striking “and” at the end;

(2) in paragraph (15) by striking the period at the end and inserting “; and”; and

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

“(16) the term ‘windstorm’ means any hurricane, tornado, cyclone, typhoon, or other wind event.”.

**SA 4715.** Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 11, line 4 after the first period, insert the following:

“(h) USE OF MAPS TO ESTABLISH RATES FOR CERTAIN COUNTIES.—

“(1) IN GENERAL.—Until such time as the updating of flood insurance rate maps under section 19 of the Flood Modernization Act of 2007 is completed (as determined by the district engineer) for all areas located in the St. Louis District of the Mississippi Valley Division of the Corps of Engineers, the Director shall not—

“(A) adjust the chargeable premium rate for flood insurance under this title for any type or class of property located in an area in that District; and

“(B) require the purchase of flood insurance for any type or class of property located in an area in that District not subject to such purchase requirement prior to the updating of such national flood insurance program rate map.

**(2) RULE OF CONSTRUCTION.**—For purposes of this subsection, the term ‘area’ does not

include any area (or subdivision thereof) that has chosen not to participate in the flood insurance program under this title as of the date of enactment of this subsection.”.

**SA 4716.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . DISASTER ASSISTANCE.**

No person shall be eligible to receive disaster assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or the Small Business Act (15 U.S.C. 631 et seq.) relating to damage to a property located in a 100-year floodplain caused by flooding, unless prior to such flooding that person purchased and maintained flood insurance for that property under the national flood insurance program established under chapter I of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.).

**SA 4717.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 8, line 6, strike “and”.

On page 8, line 9, strike “policy.” and insert the following: “policy; and

“(3) any prospective insured who refuses to accept any offer for mitigation assistance by the Administrator (including an offer to relocate), including an offer of mitigation assistance—

“(A) following a major disaster, as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122); or

“(B) in connection with—

“(i) a repetitive loss property; or

“(ii) a severe repetitive loss property, as that term is defined under section 1361A.”.

**SA 4718.** Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . 5-YEAR DISCOUNT OF FLOOD INSURANCE RATES FOR FORMERLY PROTECTED AREAS.**

Section 1308 of the National Flood Insurance Act of 1968 (42 U.S.C. 4015), as previously amended by this Act, is further amended—

(1) in subsection (c), by inserting “and subsection (1)” before the first comma; and

(2) by adding at the end the following new subsection:

“(i) 5-YEAR DISCOUNT OF FLOOD INSURANCE RATES FOR FORMERLY PROTECTED AREAS.—

“(1) IN GENERAL.—Notwithstanding any other provision of law relating to chargeable risk premium rates for flood insurance coverage under this title, in the case of any area

that previously was not designated as an area having special flood hazards because the area was protected by a flood protection system and that, pursuant to any updating, reviewing, or remapping of flood insurance program rate maps under this Act or any other subsequent Act, becomes designated as such an area as a result of the decertification of such flood protection system, during the 5-year period that begins upon the initial such designation of the area, the chargeable premium rate for flood insurance under this title with respect to any property that prior to the date of enactment of the Homeowner’s Flood Insurance Protection Act of 2007 was located within such area shall be equal to 50 percent of the chargeable risk premium rate otherwise applicable under this title to the property.

**(2) RULE OF CONSTRUCTION.**—For purposes of paragraph (1), any new property or structure developed, constructed, or otherwise built after the date of enactment of the Homeowner’s Flood Insurance Protection Act of 2007 on any property described in such paragraph shall not be eligible for the chargeable premium rate discount under such paragraph.”.

**SA 4719.** Mr. WICKER (for himself, Mr. MARTINEZ, Mrs. CLINTON, Mr. VITTER, Ms. LANDRIEU, Mr. COCHRAN, and Mr. NELSON of Florida) proposed an amendment to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; as follows:

At the end, insert the following:

**SEC. \_\_\_\_ . MULTIPERIL COVERAGE FOR FLOOD AND WINDSTORM.**

**(a) IN GENERAL.**—Section 1304 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

“(c) MULTIPERIL COVERAGE FOR DAMAGE FROM FLOOD OR WINDSTORM.—

“(1) IN GENERAL.—Subject to paragraph (8), the national flood insurance program established pursuant to subsection (a) shall enable the purchase of optional insurance against loss resulting from physical damage to or loss of real property or personal property related thereto located in the United States arising from any flood or windstorm, subject to the limitations in this subsection and section 1306(b).

“(2) COMMUNITY PARTICIPATION REQUIREMENT.—Multiperil coverage pursuant to this subsection may not be provided in any area (or subdivision thereof) unless an appropriate public body shall have adopted adequate mitigation measures (with effective enforcement provisions) which the Director finds are consistent with the criteria for construction described in the International Code Council building codes relating to wind mitigation.

“(3) PROHIBITION AGAINST DUPLICATIVE COVERAGE.—Multiperil coverage pursuant to this subsection may not be provided with respect to any structure (or the personal property related thereto) for any period during which such structure is covered, at any time, by flood insurance coverage made available under this title.

“(4) NATURE OF COVERAGE.—Multiperil coverage pursuant to this subsection shall—

“(A) cover losses only from physical damage resulting from flooding or windstorm; and

“(B) provide for approval and payment of claims under such coverage upon proof that such loss must have resulted from either windstorm or flooding, but shall not require for approval and payment of a claim that the specific cause of the loss, whether windstorm or flooding, be distinguished or identified.

(5) ACTUARIAL RATES.—Multiperil coverage pursuant to this subsection shall be made available for purchase for a property only at chargeable risk premium rates that, based on consideration of the risks involved and accepted actuarial principles, and including operating costs and allowance and administrative expenses, are required in order to make such coverage available on an actuarial basis for the type and class of properties covered.

(6) TERMS OF COVERAGE.—The Director shall, after consultation with persons and entities referred to in section 1306(a), provide by regulation for the general terms and conditions of insurability which shall be applicable to properties eligible for multiperil coverage under this subsection, subject to the provisions of this subsection, including—

“(A) the types, classes, and locations of any such properties which shall be eligible for such coverage, which shall include residential and nonresidential properties;

“(B) subject to paragraph (7), the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such coverage;

“(C) the classification, limitation, and rejection of any risks which may be advisable;

“(D) appropriate minimum premiums;

“(E) appropriate loss deductibles; and

“(F) any other terms and conditions relating to insurance coverage or exclusion that may be necessary to carry out this subsection.

(7) LIMITATIONS ON AMOUNT OF COVERAGE.—The regulations issued pursuant to paragraph (6) shall provide that the aggregate liability under multiperil coverage made available under this subsection shall not exceed the lesser of the replacement cost for covered losses or the following amounts, as applicable:

“(A) RESIDENTIAL STRUCTURES.—In the case of residential properties, which shall include structures containing multiple dwelling units that are made available for occupancy by rental (notwithstanding any treatment or classification of such properties for purposes of section 1306(b))—

“(i) for any single-family dwelling, \$500,000;

“(ii) for any structure containing more than one dwelling unit, \$500,000 for each separate dwelling unit in the structure, which limit, in the case of such a structure containing multiple dwelling units that are made available for occupancy by rental, shall be applied so as to enable any insured or applicant for insurance to receive coverage for the structure up to a total amount that is equal to the product of the total number of such rental dwelling units in such property and the maximum coverage limit per dwelling unit specified in this clause; and

“(iii) \$150,000 per dwelling unit for—

“(I) any contents related to such unit; and

“(II) any necessary increases in living expenses incurred by the insured when losses from flooding or windstorm make the residence unfit to live in.

(B) NONRESIDENTIAL PROPERTIES.—In the case of nonresidential properties (including church properties)—

“(i) \$1,000,000 for any single structure; and

“(ii) \$750,000 for—

“(I) any contents related to such structure; and

“(II) in the case of any nonresidential property that is a business property, any losses resulting from any partial or total interruption of the insured's business caused by damage to, or loss of, such property from flooding or windstorm, except that for purposes of such coverage, losses shall be determined based on the profits the covered business would have earned, based on previous financial records, had the flood or windstorm not occurred.

(8) EFFECTIVE DATE.—This subsection shall take effect on, and shall apply beginning on, June 30, 2008.”.

(b) PROHIBITION AGAINST DUPLICATIVE COVERAGE.—Chapter 1 of The National Flood Insurance Act of 1968 is amended by adding at the end the following:

“PROHIBITION AGAINST DUPLICATIVE COVERAGE

“SEC. 1325. Flood insurance under this title may not be provided with respect to any structure (or the personal property related thereto) for any period during which such structure is covered, at any time, by multiperil insurance coverage made available pursuant to section 1304(c).”.

(c) COMPLIANCE WITH STATE AND LOCAL LAW.—Section 1316 of the National Flood Insurance Act of 1968 (42 U.S.C. 4023) is amended—

(1) by inserting “(a) FLOOD PROTECTION MEASURES.” before “No new”; and

(2) by adding at the end the following new subsection:

“(b) WINDSTORM PROTECTION MEASURES.—No new multiperil coverage shall be provided under section 1304(c) for any property that the Director finds has been declared by a duly constituted State or local zoning authority, or other authorized public body to be in violation of State or local laws, regulations, or ordinances, which are intended to reduce damage caused by windstorms.”.

(d) CRITERIA FOR LAND MANAGEMENT AND USE.—Section 1361 of the National Flood Insurance Act of 1968 (42 U.S.C. 4102) is amended by adding at the end the following new subsection:

“(d) WINDSTORMS.—

“(1) STUDIES AND INVESTIGATIONS.—The Director shall carry out studies and investigations under this section to determine appropriate measures in wind events as to wind hazard prevention, and may enter into contracts, agreements, and other appropriate arrangements to carry out such activities. Such studies and investigations shall include laws, regulations, and ordinance relating to the orderly development and use of areas subject to damage from windstorm risks, and zoning building codes, building permits, and subdivision and other building restrictions for such areas.

“(2) CRITERIA.—On the basis of the studies and investigations pursuant to paragraph (1) and such other information as may be appropriate, the Director shall establish comprehensive criteria designed to encourage, where necessary, the adoption of adequate State and local measures which, to the maximum extent feasible, will assist in reducing damage caused by windstorms, discourage density and intensity or range of use increases in locations subject to windstorm damage, and enforce restrictions on the alteration of wetlands coastal dunes and vegetation and other natural features that are known to prevent or reduce such damage.

“(3) COORDINATION WITH STATE AND LOCAL GOVERNMENTS.—The Director shall work closely with and provide any necessary tech-

nical assistance to State, interstate, and local governmental agencies, to encourage the application of criteria established under paragraph (2) and the adoption and enforcement of measures referred to in such paragraph.”.

(e) DEFINITIONS.—Section 1370 of the National Flood Insurance Act of 1968 (42 U.S.C. 4121) is amended—

(1) in paragraph (14), by striking “and” at the end;

(2) in paragraph (15) by striking the period at the end and inserting “; and”; and

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

“(16) the term ‘windstorm’ means any hurricane, tornado, cyclone, typhoon, or other wind event.”.

**SA 4720.** Mr. McCONNELL (for himself, Mr. DOMENICI, Mr. ROBERTS, Mr. GREGG, Mrs. HUTCHISON, Mr. ISAKSON, Mr. STEVENS, Mr. INHOFE, Mr. ALLARD, Mr. BENNETT, Mr. BUNNING, Ms. MURKOWSKI, Mr. BOND, Mr. SESSIONS, Mr. ENZI, Mr. CHAMBLISS, and Mr. BARRASSO) proposed an amendment to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; as follows:

On page 72, line 15, of the bill strike “House of Representatives” and insert: House of Representatives.

**SECTION 33. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the “American Energy Production Act of 2008”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definition of Secretary.

**TITLE I—TRADITIONAL RESOURCES**

Subtitle A—Outer Continental Shelf

Sec. 101. Publication of projected State lines on outer Continental Shelf.

Sec. 102. Production of oil and natural gas in new producing areas.

Sec. 103. Conforming amendment.

Subtitle B—Leasing Program for Land Within Coastal Plain

Sec. 111. Definitions.

Sec. 112. Leasing program for land within the Coastal Plain.

Sec. 113. Lease sales.

Sec. 114. Grant of leases by the Secretary.

Sec. 115. Lease terms and conditions.

Sec. 116. Coastal plain environmental protection.

Sec. 117. Expedited judicial review.

Sec. 118. Rights-of-way and easements across Coastal Plain.

Sec. 119. Conveyance.

Sec. 120. Local government impact aid and community service assistance.

Sec. 121. Prohibition on exports.

Sec. 122. Allocation of revenues.

Subtitle C—Permitting

Sec. 131. Refinery permitting process.

Sec. 132. Removal of additional fee for new applications for permits to drill.

Subtitle D—Strategic Petroleum Reserve

Sec. 141. Suspension of petroleum acquisition for Strategic Petroleum Reserve.

Subtitle E—Restoration of State Revenue

Sec. 151. Restoration of State revenue.

**TITLE II—ALTERNATIVE RESOURCES**

**Subtitle A—Renewable Fuel and Advanced Energy Technology**  
 Sec. 201. Definition of renewable biomass.  
 Sec. 202. Advanced battery manufacturing incentive program.  
 Sec. 203. Biofuels infrastructure and additives research and development.  
 Sec. 204. Study of increased consumption of ethanol-blended gasoline with higher levels of ethanol.  
 Sec. 205. Study of diesel vehicle attributes.

**Subtitle B—Clean Coal-Derived Fuels for Energy Security**

Sec. 211. Short title.  
 Sec. 212. Definitions.  
 Sec. 213. Clean coal-derived fuel program.

**Subtitle C—Oil Shale**

Sec. 221. Removal of prohibition on final regulations for commercial leasing program for oil shale resources on public land.

**Subtitle D—Department of Defense Facilitation of Secure Domestic Fuel Development**

Sec. 231. Procurement and acquisition of alternative fuels.  
 Sec. 232. Multiyear contract authority for the Department of Defense for the procurement of synthetic fuels.

**SEC. 2. DEFINITION OF SECRETARY.**

In this Act, the term “Secretary” means the Secretary of Energy.

**TITLE I—TRADITIONAL RESOURCES****Subtitle A—Outer Continental Shelf****SEC. 101. PUBLICATION OF PROJECTED STATE LINES ON OUTER CONTINENTAL SHELF.**

Section 4(a)(2)(A) of the Outer Continental Shelf Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended—

(1) by designating the first, second, and third sentences as clause (i), (iii), and (iv), respectively;

(2) in clause (i) (as so designated), by inserting before the period at the end the following: “not later than 90 days after the date of enactment of the Domestic Energy Production Act of 2008”; and

(3) by inserting after clause (i) (as so designated) the following:

“(ii)(I) The projected lines shall also be used for the purpose of preleasing and leasing activities conducted in new producing areas under section 32.

“(II) This clause shall not affect any property right or title to Federal submerged land on the outer Continental Shelf.

“(III) In carrying out this clause, the President shall consider the offshore administrative boundaries beyond State submerged lands for planning, coordination, and administrative purposes of the Department of the Interior, but may establish different boundaries.”.

**SEC. 102. PRODUCTION OF OIL AND NATURAL GAS IN NEW PRODUCING AREAS.**

The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by adding at the end the following:

**“SEC. 32. PRODUCTION OF OIL AND NATURAL GAS IN NEW PRODUCING AREAS.**

“(a) DEFINITIONS.—In this section:

“(1) COASTAL POLITICAL SUBDIVISION.—The term ‘coastal political subdivision’ means a political subdivision of a new producing State any part of which political subdivision is—

“(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)) of the new pro-

ducing State as of the date of enactment of this section; and

“(B) not more than 200 nautical miles from the geographic center of any leased tract.

**“(2) MORATORIUM AREA.—**

“(A) IN GENERAL.—The term ‘moratorium area’ means an area covered by sections 104 through 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110–161; 121 Stat. 2118) (as in effect on the day before the date of enactment of this section).

“(B) EXCLUSION.—The term ‘moratorium area’ does not include an area located in the Gulf of Mexico.

“(3) NEW PRODUCING AREA.—The term ‘new producing area’ means any moratorium area within the offshore administrative boundaries beyond the submerged land of a State that is located greater than 50 miles from the coastline of the State.

“(4) NEW PRODUCING STATE.—The term ‘new producing State’ means a State that has, within the offshore administrative boundaries beyond the submerged land of the State, a new producing area available for oil and gas leasing under subsection (b).

“(5) OFFSHORE ADMINISTRATIVE BOUNDARIES.—The term ‘offshore administrative boundaries’ means the administrative boundaries established by the Secretary beyond State submerged land for planning, coordination, and administrative purposes of the Department of the Interior and published in the Federal Register on January 3, 2006 (71 Fed. Reg. 127).

**“(6) QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—**

“(A) IN GENERAL.—The term ‘qualified outer Continental Shelf revenues’ means all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this section for new producing areas.

“(B) EXCLUSIONS.—The term ‘qualified outer Continental Shelf revenues’ does not include—

“(i) revenues from a bond or other surety forfeited for obligations other than the collection of royalties;

“(ii) revenues from civil penalties;

“(iii) royalties taken by the Secretary in-kind and not sold;

“(iv) revenues generated from leases subject to section 8(g); or

“(v) any revenues considered qualified outer Continental Shelf revenues under section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109–432).

**“(b) PETITION FOR LEASING NEW PRODUCING AREAS.—**

“(1) IN GENERAL.—Beginning on the date on which the President delineates projected State lines under section 4(a)(2)(A)(ii), the Governor of a State with a new producing area within the offshore administrative boundaries beyond the submerged land of the State may submit to the Secretary a petition requesting that the Secretary make the new producing area available for oil and gas leasing.

“(2) ACTION BY SECRETARY.—Notwithstanding section 18, as soon as practicable after receipt of a petition under paragraph (1), the Secretary shall approve the petition if the Secretary determines that leasing the new producing area would not create an unreasonable risk of harm to the marine, human, or coastal environment.

“(c) DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM NEW PRODUCING AREAS.—

“(1) IN GENERAL.—Notwithstanding section 9 and subject to the other provisions of this subsection, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

“(A) 50 percent of qualified outer Continental Shelf revenues in the general fund of the Treasury; and

“(B) 50 percent of qualified outer Continental Shelf revenues in a special account in the Treasury from which the Secretary shall disburse—

“(i) 75 percent to new producing States in accordance with paragraph (2); and

“(ii) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460l–5).

**“(2) ALLOCATION TO NEW PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—**

“(A) ALLOCATION TO NEW PRODUCING STATES.—Effective for fiscal year 2008 and each fiscal year thereafter, the amount made available under paragraph (1)(B)(i) shall be allocated to each new producing State in amounts (based on a formula established by the Secretary by regulation) proportional to the amount of qualified outer Continental Shelf revenues generated in the new producing area offshore each State.

**“(B) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—**

“(i) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each new producing State, as determined under subparagraph (A), to the coastal political subdivisions of the new producing State.

“(ii) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B) and (C) of section 31(b)(4).

“(3) MINIMUM ALLOCATION.—The amount allocated to a new producing State for each fiscal year under paragraph (2) shall be at least 5 percent of the amounts available under for the fiscal year under paragraph (1)(B)(i).

“(4) TIMING.—The amounts required to be deposited under subparagraph (B) of paragraph (1) for the applicable fiscal year shall be made available in accordance with that subparagraph during the fiscal year immediately following the applicable fiscal year.

**“(5) AUTHORIZED USES.—**

“(A) IN GENERAL.—Subject to subparagraph (B), each new producing State and coastal political subdivision shall use all amounts received under paragraph (2) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

“(i) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

“(ii) Mitigation of damage to fish, wildlife, or natural resources.

“(iii) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

“(iv) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

“(v) Planning assistance and the administrative costs of complying with this section.

“(B) LIMITATION.—Not more than 3 percent of amounts received by a new producing State or coastal political subdivision under paragraph (2) may be used for the purposes described in subparagraph (A)(v).

“(6) ADMINISTRATION.—Amounts made available under paragraph (1)(B) shall—

“(A) be made available, without further appropriation, in accordance with this subsection;

“(B) remain available until expended; and

“(C) be in addition to any amounts appropriated under—

“(i) other provisions of this Act;

“(ii) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460f-4 et seq.); or

“(iii) any other provision of law.

“(d) DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM OTHER AREAS.—Notwithstanding section 9, for each applicable fiscal year, the terms and conditions of subsection (c) shall apply to the disposition of qualified outer Continental Shelf revenues that—

“(1) are derived from oil or gas leasing in an area that is not included in the current 5-year plan of the Secretary for oil or gas leasing; and

“(2) are not assumed in the budget of the United States Government submitted by the President under section 1105 of title 31, United States Code.”.

#### **SEC. 103. CONFORMING AMENDMENT.**

Sections 104 through 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2118) are repealed.

#### **Subtitle B—Leasing Program for Land Within Coastal Plain**

##### **SEC. 111. DEFINITIONS.**

In this subtitle:

(1) COASTAL PLAIN.—The term “Coastal Plain” means that area identified as the “1002 Coastal Plain Area” on the map.

(2) FEDERAL AGREEMENT.—The term “Federal Agreement” means the Federal Agreement and Grant Right-of-Way for the Trans-Alaska Pipeline issued on January 23, 1974, in accordance with section 28 of the Mineral Leasing Act (30 U.S.C. 185) and the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.).

(3) FINAL STATEMENT.—The term “Final Statement” means the final legislative environmental impact statement on the Coastal Plain, dated April 1987, and prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(4) MAP.—The term “map” means the map entitled “Arctic National Wildlife Refuge”, dated September 2005, and prepared by the United States Geological Survey.

(5) SECRETARY.—The term “Secretary” means the Secretary of the Interior (or the designee of the Secretary), acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service and in coordination with a State coordinator appointed by the Governor of the State of Alaska.

#### **SEC. 112. LEASING PROGRAM FOR LAND WITHIN THE COASTAL PLAIN.**

##### **(a) IN GENERAL.**

(1) AUTHORIZATION.—Congress authorizes the exploration, leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain.

(2) ACTIONS.—The Secretary shall take such actions as are necessary—

(A) to establish and implement, in accordance with this subtitle, a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain

while taking into consideration the interests and concerns of residents of the Coastal Plain, which is the homeland of the Kaktovikmiut Inupiat; and

(B) to administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(i) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment; and

(ii) require the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this subtitle in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

##### **(b) REPEAL.**

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents contained in section 1 of that Act (16 U.S.C. 3101 note) is amended by striking the item relating to section 1003.

##### **(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.**

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.)—

(A) the oil and gas pre-leasing and leasing program, and activities authorized by this section in the Coastal Plain, shall be considered to be compatible with the purposes for which the Arctic National Wildlife Refuge was established; and

(B) no further findings or decisions shall be required to implement that program and those activities.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR’S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The Final Statement shall be considered to satisfy the requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) that apply with respect to pre-leasing activities, including exploration programs and actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this subtitle before the conduct of the first lease sale.

##### **(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.**

(A) IN GENERAL.—Before conducting the first lease sale under this subtitle, the Secretary shall prepare an environmental impact statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the actions authorized by this subtitle that are not referred to in paragraph (2).

(B) IDENTIFICATION AND ANALYSIS.—Notwithstanding any other provision of law, in carrying out this paragraph, the Secretary shall not be required—

(i) to identify nonleasing alternative courses of action; or

(ii) to analyze the environmental effects of those courses of action.

(C) IDENTIFICATION OF PREFERRED ACTION.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—

(i) identify only a preferred action and a single leasing alternative for the first lease sale authorized under this subtitle; and

(ii) analyze the environmental effects and potential mitigation measures for those 2 alternatives.

(D) PUBLIC COMMENTS.—In carrying out this paragraph, the Secretary shall consider only public comments that are filed not later than 20 days after the date of publication of a draft environmental impact statement.

(E) EFFECT OF COMPLIANCE.—Notwithstanding any other provision of law, compliance with this paragraph shall be considered to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this subtitle.

(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this subtitle expands or limits any State or local regulatory authority.

##### **(e) SPECIAL AREAS.**

###### **(1) DESIGNATION.**

(A) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the North Slope Borough, Alaska, and the City of Kaktovik, Alaska, may designate not more than 45,000 acres of the Coastal Plain as a special area if the Secretary determines that the special area would be of such unique character and interest as to require special management and regulatory protection.

(B) SADLEROCHIT SPRING AREA.—The Secretary shall designate as a special area in accordance with subparagraph (A) the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map.

(2) MANAGEMENT.—The Secretary shall manage each special area designated under this subsection in a manner that—

(A) respects and protects the Native people of the area; and

(B) preserves the unique and diverse character of the area, including fish, wildlife, subsistence resources, and cultural values of the area.

##### **(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.**

(A) IN GENERAL.—The Secretary may exclude any special area designated under this subsection from leasing.

(B) NO SURFACE OCCUPANCY.—If the Secretary leases all or a portion of a special area for the purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the land comprising the special area.

(4) DIRECTIONAL DRILLING.—Notwithstanding any other provision of this subsection, the Secretary may lease all or a portion of a special area under terms that permit the use of horizontal drilling technology from sites on leases located outside the special area.

(f) LIMITATION ON CLOSED AREAS.—The Secretary may not close land within the Coastal Plain to oil and gas leasing or to exploration, development, or production except in accordance with this subtitle.

##### **(g) REGULATIONS.**

(1) IN GENERAL.—Not later than 15 months after the date of enactment of this Act, in consultation with appropriate agencies of the State of Alaska, the North Slope Borough, Alaska, and the City of Kaktovik, Alaska, the Secretary shall issue such regulations as are necessary to carry out this subtitle, including rules and regulations relating to protection of the fish and wildlife, fish and wildlife habitat, and subsistence resources of the Coastal Plain.

(2) REVISION OF REGULATIONS.—The Secretary may periodically review and, as appropriate, revise the rules and regulations issued under paragraph (1) to reflect any significant scientific or engineering data that come to the attention of the Secretary.

#### **SEC. 113. LEASE SALES.**

(a) IN GENERAL.—Land may be leased pursuant to this subtitle to any person qualified

to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after that nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Bidding for leases under this subtitle shall be by sealed competitive cash bonus bids.

(d) ACREAGE MINIMUM IN FIRST SALE.—For the first lease sale under this subtitle, the Secretary shall offer for lease those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1), but in no case less than 200,000 acres.

(e) TIMING OF LEASE SALES.—The Secretary shall—

(1) not later than 22 months after the date of enactment of this Act, conduct the first lease sale under this subtitle;

(2) not later than September 30, 2012, conduct a second lease sale under this subtitle; and

(3) conduct additional sales at appropriate intervals if sufficient interest in exploration or development exists to warrant the conduct of the additional sales.

#### **SEC. 114. GRANT OF LEASES BY THE SECRETARY.**

(a) IN GENERAL.—Upon payment by a lessee of such bonus as may be accepted by the Secretary, the Secretary may grant to the highest responsible qualified bidder in a lease sale conducted pursuant to section 113 a lease for any land on the Coastal Plain.

##### **(b) SUBSEQUENT TRANSFERS.—**

(1) IN GENERAL.—No lease issued under this subtitle may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary.

(2) CONDITION FOR APPROVAL.—Before granting any approval described in paragraph (1), the Secretary shall consult with and give due consideration to the opinion of the Attorney General.

#### **SEC. 115. LEASE TERMS AND CONDITIONS.**

(a) IN GENERAL.—An oil or gas lease issued pursuant to this subtitle shall—

(1) provide for the payment of a royalty of not less than 16½ percent of the amount or value of the production removed or sold from the lease, as determined by the Secretary in accordance with regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, such portions of the Coastal Plain to exploratory drilling activities as are necessary to protect caribou calving areas and other species of fish and wildlife;

(3) require that each lessee of land within the Coastal Plain shall be fully responsible and liable for the reclamation of land within the Coastal Plain and any other Federal land that is adversely affected in connection with exploration, development, production, or transportation activities within the Coastal Plain conducted by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, that reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for land required to be reclaimed under

this subtitle shall be, to the maximum extent practicable—

(A) a condition capable of supporting the uses that the land was capable of supporting prior to any exploration, development, or production activities; or

(B) upon application by the lessee, to a higher or better standard, as approved by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment as required under section 112(a)(2);

(7) provide that each lessee, and each agent and contractor of a lessee, use their best efforts to provide a fair share of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State of Alaska, as determined by the level of obligation previously agreed to in the Federal Agreement; and

(8) contain such other provisions as the Secretary determines to be necessary to ensure compliance with this subtitle and regulations issued under this subtitle.

(b) PROJECT LABOR AGREEMENTS.—The Secretary, as a term and condition of each lease under this subtitle, and in recognizing the proprietary interest of the Federal Government in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under the leases issued pursuant to this subtitle (including the special concerns of the parties to those leases), shall require that each lessee, and each agent and contractor of a lessee, under this subtitle negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction under the lease.

#### **SEC. 116. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—In accordance with section 112, the Secretary shall administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, or other provisions that—

(1) ensure, to the maximum extent practicable, that oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, fish and wildlife habitat, and the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum surface acreage covered in connection with the leasing program by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall require, with respect to any proposed drilling and related activities on the Coastal Plain, that—

(1) a site-specific environmental analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, fish and wildlife habitat, subsistence resources, subsistence uses, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the maximum extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan occur after consultation with—

(A) each agency having jurisdiction over matters mitigated by the plan;

(B) the State of Alaska;

(C) North Slope Borough, Alaska; and

(D) the City of Kaktovik, Alaska.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this subtitle, the Secretary shall prepare and issue regulations, lease terms, conditions, restrictions, prohibitions, stipulations, or other measures designed to ensure, to the maximum extent practicable, that the activities carried out on the Coastal Plain under this subtitle are conducted in a manner consistent with the purposes and environmental requirements of this subtitle.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this subtitle shall require—

(1) compliance with all applicable provisions of Federal and State environmental law (including regulations);

(2) implementation of and compliance with—

(A) standards that are at least as effective as the safety and environmental mitigation measures, as described in items 1 through 29 on pages 167 through 169 of the Final Statement, on the Coastal Plain;

(B) seasonal limitations on exploration, development, and related activities, as necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration;

(C) design safety and construction standards for all pipelines and any access and service roads that minimize, to the maximum extent practicable, adverse effects on—

(i) the passage of migratory species (such as caribou); and

(ii) the flow of surface water by requiring the use of culverts, bridges, or other structural devices;

(D) prohibitions on general public access to, and use of, all pipeline access and service roads;

(E) stringent reclamation and rehabilitation requirements in accordance with this subtitle for the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment on completion of oil and gas production operations, except in a case in which the Secretary determines that those facilities, structures, or equipment—

(i) would assist in the management of the Arctic National Wildlife Refuge; and

(ii) are donated to the United States for that purpose;

(F) appropriate prohibitions or restrictions on—

(i) access by all modes of transportation;

(ii) sand and gravel extraction; and

(iii) use of explosives;

(G) reasonable stipulations for protection of cultural and archaeological resources;

(H) measures to protect groundwater and surface water, including—

(i) avoidance, to the maximum extent practicable, of springs, streams, and river systems;

(ii) the protection of natural surface drainage patterns and wetland and riparian habitats; and

(iii) the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling; and

(I) research, monitoring, and reporting requirements;

(3) that exploration activities (except surface geological studies) be limited to the period between approximately November 1 and May 1 of each year and be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods (except that those exploration activities may be permitted at other times if the Secretary determines that the exploration will have no significant adverse effect on fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment of the Coastal Plain);

(4) consolidation of facility siting;

(5) avoidance or reduction of air traffic-related disturbance to fish and wildlife;

(6) treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including, in accordance with applicable Federal and State environmental laws (including regulations)—

(A) preparation of an annual waste management report;

(B) development and implementation of a hazardous materials tracking system; and

(C) prohibition on the use of chlorinated solvents;

(7) fuel storage and oil spill contingency planning;

(8) conduct of periodic field crew environmental briefings;

(9) avoidance of significant adverse effects on subsistence hunting, fishing, and trapping;

(10) compliance with applicable air and water quality standards;

(11) appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited; and

(12) development and implementation of such other protective environmental requirements, restrictions, terms, or conditions as the Secretary, after consultation with the State of Alaska, North Slope Borough, Alaska, and the City of Kaktovik, Alaska, determines to be necessary.

(e) CONSIDERATIONS.—In preparing and issuing regulations, lease terms, conditions, restrictions, prohibitions, or stipulations under this section, the Secretary shall take into consideration—

(1) the stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement;

(2) the environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 through 37.33 of title 50, Code of Federal Regulations (or successor regulations); and

(3) the land use stipulations for exploratory drilling on the KIC-ASRC private land described in Appendix 2 of the agreement between Arctic Slope Regional Corporation and the United States dated August 9, 1983.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—After providing for public notice and comment, the Secretary shall prepare and periodically update a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of oil and gas resources from the Coastal Plain.

(2) OBJECTIVES.—The objectives of the plan shall be—

(A) the avoidance of unnecessary duplication of facilities and activities;

(B) the encouragement of consolidation of common facilities and activities;

(C) the location or confinement of facilities and activities to areas that will minimize impact on fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment;

(D) the use of existing facilities, to the maximum extent practicable; and

(E) the enhancement of compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LAND.—The Secretary shall—

(1) manage public land in the Coastal Plain in accordance with subsections (a) and (b) of section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public land in the Coastal Plain for traditional uses.

#### **SEC. 117. EXPEDITED JUDICIAL REVIEW.**

(a) FILING OF COMPLAINTS.—

(1) DEADLINE.—A complaint seeking judicial review of a provision of this subtitle or an action of the Secretary under this subtitle shall be filed—

(A) except as provided in subparagraph (B), during the 90-day period beginning on the date on which the action being challenged was carried out; or

(B) in the case of a complaint based solely on grounds arising after the 90-day period described in subparagraph (A), during the 90-day period beginning on the date on which the complainant knew or reasonably should have known about the grounds for the complaint.

(2) VENUE.—A complaint seeking judicial review of a provision of this subtitle or an action of the Secretary under this subtitle shall be filed in the United States Court of Appeals for the District of Columbia.

(3) SCOPE.—

(A) IN GENERAL.—Judicial review of a decision of the Secretary under this subtitle (including an environmental analysis of such a lease sale) shall be—

(i) limited to a review of whether the decision is in accordance with this subtitle; and

(ii) based on the administrative record of the decision.

(B) PRESUMPTIONS.—Any identification by the Secretary of a preferred course of action relating to a lease sale, and any analysis by the Secretary of environmental effects, under this subtitle shall be presumed to be correct unless proven otherwise by clear and convincing evidence.

(b) LIMITATION ON OTHER REVIEW.—Any action of the Secretary that is subject to judicial review under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

#### **SEC. 118. RIGHTS-OF-WAY AND EASEMENTS ACROSS COASTAL PLAIN.**

For purposes of section 1102(4)(A) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3162(4)(A)), any rights-of-way or easements across the Coastal Plain for the exploration, development, production, or transportation of oil and gas shall be considered to be established incident to the management of the Coastal Plain under this section.

#### **SEC. 119. CONVEYANCE.**

Notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), to remove any cloud on title to land, and to clarify land ownership patterns in the Coastal Plain, the Secretary shall—

(1) to the extent necessary to fulfill the entitlement of the Kaktovik Inupiat Corporation under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611, 1613), as determined by the Secretary, convey to that Corporation the surface estate of the land described in paragraph (1) of Public Land Order 6959, in accordance with the terms and conditions of the agreement between the Secretary, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation, dated January 22, 1993; and

(2) convey to the Arctic Slope Regional Corporation the remaining subsurface estate to which that Corporation is entitled under the agreement between that corporation and the United States, dated August 9, 1983.

#### **SEC. 120. LOCAL GOVERNMENT IMPACT AID AND COMMUNITY SERVICE ASSISTANCE.**

(a) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—As a condition on the receipt of funds under section 122(2), the State of Alaska shall establish in the treasury of the State, and administer in accordance with this section, a fund to be known as the “Coastal Plain Local Government Impact Aid Assistance Fund” (referred to in this section as the “Fund”).

(2) DEPOSITS.—Subject to paragraph (1), the Secretary of the Treasury shall deposit into the Fund, \$35,000,000 each year from the amount available under section 122(2)(A).

(3) INVESTMENT.—The Governor of the State of Alaska (referred to in this section as the “Governor”) shall invest amounts in the Fund in interest-bearing securities of the United States or the State of Alaska.

(b) ASSISTANCE.—The Governor, in cooperation with the Mayor of the North Slope Borough, shall use amounts in the Fund to provide assistance to North Slope Borough, Alaska, the City of Kaktovik, Alaska, and any other borough, municipal subdivision, village, or other community in the State of Alaska that is directly impacted by exploration for, or the production of, oil or gas on the Coastal Plain under this subtitle, or any Alaska Native Regional Corporation acting on behalf of the villages and communities within its region whose lands lie along the right of way of the Trans Alaska Pipeline System, as determined by the Governor.

(c) APPLICATION.—

(1) IN GENERAL.—To receive assistance under subsection (b), a community or Regional Corporation described in that subsection shall submit to the Governor, or to the Mayor of the North Slope Borough, an application in such time, in such manner, and containing such information as the Governor may require.

(2) ACTION BY NORTH SLOPE BOROUGH.—The Mayor of the North Slope Borough shall submit to the Governor each application received under paragraph (1) as soon as practicable after the date on which the application is received.

(3) ASSISTANCE OF GOVERNOR.—The Governor shall assist communities in submitting applications under this subsection, to the maximum extent practicable.

(d) USE OF FUNDS.—A community or Regional Corporation that receives funds under subsection (b) may use the funds—

(1) to plan for mitigation, implement a mitigation plan, or maintain a mitigation project to address the potential effects of oil and gas exploration and development on environmental, social, cultural, recreational, and subsistence resources of the community;

(2) to develop, carry out, and maintain—

(A) a project to provide new or expanded public facilities; or

(B) services to address the needs and problems associated with the effects described in paragraph (1), including firefighting, police, water and waste treatment, first responder, and other medical services;

(3) to compensate residents of the Coastal Plain for significant damage to environmental, social, cultural, recreational, or subsistence resources; and

(4) in the City of Kaktovik, Alaska—

(A) to develop a mechanism for providing members of the Kaktovikmiut Inupiat community an opportunity to—

(i) monitor development on the Coastal Plain; and

(ii) provide information and recommendations to the Governor based on traditional aboriginal knowledge of the natural resources, flora, fauna, and ecological processes of the Coastal Plain; and

(B) to establish a local coordination office, to be managed by the Mayor of the North Slope Borough, in coordination with the City of Kaktovik, Alaska—

(i) to coordinate with and advise developers on local conditions and the history of areas affected by development;

(ii) to provide to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate annual reports on the status of the coordination between developers and communities affected by development;

(iii) to collect from residents of the Coastal Plain information regarding the impacts of development on fish, wildlife, habitats, subsistence resources, and the environment of the Coastal Plain; and

(iv) to ensure that the information collected under clause (iii) is submitted to—

(I) developers; and

(II) any appropriate Federal agency.

#### **SEC. 121. PROHIBITION ON EXPORTS.**

An oil or gas lease issued under this subtitle shall prohibit the exportation of oil or gas produced under the lease.

#### **SEC. 122. ALLOCATION OF REVENUES.**

Notwithstanding the Mineral Leasing Act (30 U.S.C. 181 et seq.) or any other provision of law, of the adjusted bonus, rental, and royalty receipts from Federal oil and gas leasing and operations authorized under this subtitle:

(1) 50 percent shall be deposited in the general fund of the Treasury.

(2) The remainder shall be available as follows:

(A) \$35,000,000 shall be deposited by the Secretary of the Treasury into the fund created under section 120(a)(1).

(B) The remainder shall be disbursed to the State of Alaska.

#### **Subtitle C—Permitting**

##### **SEC. 131. REFINERY PERMITTING PROCESS.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) PERMIT.—The term “permit” means any permit, license, approval, variance, or other form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or Indian tribal government agency delegated authority by the Federal Government, or authorized under Federal law, to issue permits.

(4) REFINER.—The term “refiner” means a person that—

(A) owns or operates a refinery; or  
(B) seeks to become an owner or operator of a refinery.

(5) REFINERY.—

(A) IN GENERAL.—The term “refinery” means—

(i) a facility at which crude oil is refined into transportation fuel or other petroleum products; and

(ii) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other fuel.

(B) INCLUSIONS.—The term “refinery” includes an expansion of a refinery.

(6) REFINERY EXPANSION.—The term “refinery expansion” means a physical change in a refinery that results in an increase in the capacity of the refinery.

(7) REFINERY PERMITTING AGREEMENT.—The term “refinery permitting agreement” means an agreement entered into between the Administrator and a State or Indian tribe under subsection (b).

(8) SECRETARY.—The term “Secretary” means the Secretary of Commerce.

(9) STATE.—The term “State” means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

(b) STREAMLINING OF REFINERY PERMITTING PROCESS.—

(1) IN GENERAL.—At the request of the Governor of a State or the governing body of an Indian tribe, the Administrator shall enter into a refinery permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a refinery shall be streamlined using a systematic interdisciplinary multimedia approach as provided in this section.

(2) AUTHORITY OF ADMINISTRATOR.—Under a refinery permitting agreement—

(A) the Administrator shall have authority, as applicable and necessary, to—

(i) accept from a refiner a consolidated application for all permits that the refiner is required to obtain to construct and operate a refinery;

(ii) in consultation and cooperation with each Federal, State, or Indian tribal government agency that is required to make any determination to authorize the issuance of a permit, establish a schedule under which each agency shall—

(I) concurrently consider, to the maximum extent practicable, each determination to be made; and

(II) complete each step in the permitting process; and

(iii) issue a consolidated permit that combines all permits issued under the schedule established under clause (ii); and

(B) the Administrator shall provide to State and Indian tribal government agencies—

(i) financial assistance in such amounts as the agencies reasonably require to hire such additional personnel as are necessary to enable the government agencies to comply with the applicable schedule established under subparagraph (A)(ii); and

(ii) technical, legal, and other assistance in complying with the refinery permitting agreement.

(3) AGREEMENT BY THE STATE.—Under a refinery permitting agreement, a State or governing body of an Indian tribe shall agree that—

(A) the Administrator shall have each of the authorities described in paragraph (2); and

(B) each State or Indian tribal government agency shall—

(i) in accordance with State law, make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(ii) comply, to the maximum extent practicable, with the applicable schedule established under paragraph (2)(A)(ii).

(4) DEADLINES.—

(A) NEW REFINERIES.—In the case of a consolidated permit for the construction of a new refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 360 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline established under clause (i).

(B) EXPANSION OF EXISTING REFINERIES.—In the case of a consolidated permit for the expansion of an existing refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 120 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline established under clause (i).

(5) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under paragraph (2)(A)(ii).

(6) JUDICIAL REVIEW.—Any civil action for review of any permit determination under a refinery permitting agreement shall be brought exclusively in the United States district court for the district in which the refinery is located or proposed to be located.

(7) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this title.

(8) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a refinery are not approved on or before any deadline established under paragraph (4), the Administrator may issue a consolidated permit that combines all other permits that the refiner is required to obtain other than any permits that are not approved.

(9) SAVINGS.—Nothing in this subsection affects the operation or implementation of otherwise applicable law regarding permits necessary for the construction and operation of a refinery.

(10) CONSULTATION WITH LOCAL GOVERNMENTS.—Congress encourages the Administrator, States, and tribal governments to consult, to the maximum extent practicable, with local governments in carrying out this subsection.

(11) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(12) EFFECT ON LOCAL AUTHORITY.—Nothing in this subsection affects—

(A) the authority of a local government with respect to the issuance of permits; or  
 (B) any requirement or ordinance of a local government (such as a zoning regulation).  
 (c) FISCHER-TROPSCH FUELS.—

(1) IN GENERAL.—In cooperation with the Secretary of Energy, the Secretary of Defense, the Administrator of the Federal Aviation Administration, Secretary of Health and Human Services, and Fischer-Tropsch industry representatives, the Administrator shall—

(A) conduct a research and demonstration program to evaluate the air quality benefits of ultra-clean Fischer-Tropsch transportation fuel, including diesel and jet fuel;

(B) evaluate the use of ultra-clean Fischer-Tropsch transportation fuel as a mechanism for reducing engine exhaust emissions; and

(C) submit recommendations to Congress on the most effective use and associated benefits of these ultra-clean fuel for reducing public exposure to exhaust emissions.

(2) GUIDANCE AND TECHNICAL SUPPORT.—The Administrator shall, to the extent necessary, issue any guidance or technical support documents that would facilitate the effective use and associated benefit of Fischer-Tropsch fuel and blends.

(3) REQUIREMENTS.—The program described in paragraph (1) shall consider—

(A) the use of neat (100 percent) Fischer-Tropsch fuel and blends with conventional crude oil-derived fuel for heavy-duty and light-duty diesel engines and the aviation sector; and

(B) the production costs associated with domestic production of those ultra clean fuel and prices for consumers.

(4) REPORTS.—The Administrator shall submit to the Committee on Environment and Public Works and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives—

(A) not later than 1 year, an interim report on actions taken to carry out this subsection; and

(B) not later than 2 years, a final report on actions taken to carry out this subsection.

**SEC. 132. REMOVAL OF ADDITIONAL FEE FOR NEW APPLICATIONS FOR PERMITS TO DRILL.**

The second undesignated paragraph of the matter under the heading “MANAGEMENT OF LANDS AND RESOURCES” under the heading “BUREAU OF LAND MANAGEMENT” of title I of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2098) is amended by striking “to be reduced” and all that follows through “each new application.”

**Subtitle D—Strategic Petroleum Reserve**

**SEC. 141. SUSPENSION OF PETROLEUM ACQUISITION FOR STRATEGIC PETROLEUM RESERVE.**

(a) IN GENERAL.—Except as provided in subsection (b) and notwithstanding any other provision of law, during the 180-day period beginning on the date of enactment of this Act—

(1) the Secretary of the Interior shall suspend acquisition of petroleum for the Strategic Petroleum Reserve through the royalty-in-kind program; and

(2) the Secretary of Energy shall suspend acquisition of petroleum for the Strategic Petroleum Reserve through any other acquisition method.

(b) RESUMPTION.—Effective beginning on the day after the end of the period described in subsection (a)—

(1) the Secretary of the Interior may resume acquisition of petroleum for the Stra-

tegic Petroleum Reserve through the royalty-in-kind program; and

(2) the Secretary of Energy may resume acquisition of petroleum for the Strategic Petroleum Reserve through any other acquisition method.

**Subtitle E—Restoration of State Revenue**

**SEC. 151. RESTORATION OF STATE REVENUE.**

The matter under the heading “ADMINISTRATIVE PROVISIONS” under the heading “MINERALS MANAGEMENT SERVICE” of title I of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2109) is amended by striking “Notwithstanding” and all that follows through “Treasury.”.

**TITLE II—ALTERNATIVE RESOURCES**

**Subtitle A—Renewable Fuel and Advanced Energy Technology**

**SEC. 201. DEFINITION OF RENEWABLE BIOMASS.**

Section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)) is amended by striking subparagraph (I) and inserting the following:

“(I) RENEWABLE BIOMASS.—The term ‘renewable biomass’ means—

“(i) nonmerchantable materials or precommercial thinnings that—

“(I) are byproducts of preventive treatments, such as trees, wood, brush, thinnings, chips, and slash, that are removed—

“(aa) to reduce hazardous fuels;

“(bb) to reduce or contain disease or insect infestation; or

“(cc) to restore forest health;

“(II) would not otherwise be used for higher-value products; and

“(III) are harvested from National Forest System land or public land (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702))—

“(aa) where permitted by law; and

“(bb) in accordance with applicable land management plans and the requirements for old-growth maintenance, restoration, and management direction of paragraphs (2), (3), and (4) of subsection (e) and the requirements for large-tree retention of subsection (f) of section 102 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512); or

“(ii) any organic matter that is available on a renewable or recurring basis from non-Federal land or from land belonging to an Indian tribe, or an Indian individual, that is held in trust by the United States or subject to a restriction against alienation imposed by the United States, including—

“(I) renewable plant material, including—

“(aa) feed grains;

“(bb) other agricultural commodities;

“(cc) other plants and trees; and

“(dd) algae; and

“(II) waste material, including—

“(aa) crop residue;

“(bb) other vegetative waste material (including wood waste and wood residues);

“(cc) animal waste and byproducts (including fats, oils, greases, and manure); and

“(dd) food waste and yard waste.”.

**SEC. 202. ADVANCED BATTERY MANUFACTURING INCENTIVE PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ADVANCED BATTERY.—The term “advanced battery” means an electrical storage device suitable for vehicle applications.

(2) ENGINEERING INTEGRATION COSTS.—The term “engineering integration costs” includes the cost of engineering tasks relating to—

(A) incorporation of qualifying components into the design of advanced batteries; and

(B) design of tooling and equipment and developing manufacturing processes and material suppliers for production facilities that

produce qualifying components or advanced batteries.

(b) ADVANCED BATTERY MANUFACTURING FACILITY.—The Secretary shall provide facility funding awards under this section to advanced battery manufacturers to pay not more than 30 percent of the cost of reequipping, expanding, or establishing a manufacturing facility in the United States to produce advanced batteries.

(c) PERIOD OF AVAILABILITY.—An award under subsection (b) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2020.

(d) DIRECT LOAN PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and subject to the availability of appropriated funds, the Secretary shall carry out a program to provide a total of not more than \$25,000,000 in loans to eligible individuals and entities (as determined by the Secretary) for the costs of activities described in subsection (b).

(2) SELECTION OF ELIGIBLE PROJECTS.—The Secretary shall select eligible projects to receive loans under this subsection in cases in which, as determined by the Secretary, the award recipient—

(A) is financially viable without the receipt of additional Federal funding associated with the proposed project;

(B) will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is expended efficiently and effectively; and

(C) has met such other criteria as may be established and published by the Secretary.

(3) RATES, TERMS, AND REPAYMENT OF LOANS.—A loan provided under this subsection—

(A) shall have an interest rate that, as of the date on which the loan is made, is equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity;

(B) shall have a term equal to the lesser of—

(i) the projected life, in years, of the eligible project to be carried out using funds from the loan, as determined by the Secretary; and

(ii) 25 years;

(C) may be subject to a deferral in repayment for not more than 5 years after the date on which the eligible project carried out using funds from the loan first begins operations, as determined by the Secretary; and

(D) shall be made by the Federal Financing Bank.

(e) FEES.—The cost of administering a loan made under this section shall not exceed \$100,000.

(f) SET ASIDE FOR SMALL MANUFACTURERS.—

(1) DEFINITION OF COVERED FIRM.—In this subsection, the term “covered firm” means a firm that—

(A) employs fewer than 500 individuals; and

(B) manufactures automobiles or components of automobiles.

(2) SET ASIDE.—Of the amount of funds used to provide awards for each fiscal year under subsection (b), the Secretary shall use not less than 10 percent to provide awards to covered firms or consortia led by a covered firm.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2009 through 2013.

**SEC. 203. BIOFUELS INFRASTRUCTURE AND ADDITIVES RESEARCH AND DEVELOPMENT.**

(a) IN GENERAL.—The Assistant Administrator of the Office of Research and Development of the Environmental Protection Agency (referred to in this section as the “Assistant Administrator”), in consultation with the Secretary and the National Institute of Standards and Technology, shall carry out a program of research and development of materials to be added to biofuels to make the biofuels more compatible with infrastructure used to store and deliver petroleum-based fuels to the point of final sale.

(b) REQUIREMENTS.—In carrying out the program described in subsection (a), the Assistant Administrator shall address—

- (1) materials to prevent or mitigate—
  - (A) corrosion of metal, plastic, rubber, cork, fiberglass, glues, or any other material used in pipes and storage tanks;
  - (B) dissolving of storage tank sediments;
  - (C) clogging of filters;
  - (D) contamination from water or other adulterants or pollutants;
  - (E) poor flow properties relating to low temperatures;
  - (F) oxidative and thermal instability in long-term storage and use; and
  - (G) microbial contamination;
- (2) problems associated with electrical conductivity;
- (3) alternatives to conventional methods for refurbishment and cleaning of gasoline and diesel tanks, including tank lining applications;
- (4) strategies to minimize emissions from infrastructure;

(5) issues with respect to certification by a nationally recognized testing laboratory of components for fuel-dispensing devises that specifically reference compatibility with alcohol-blended fuels and other biofuels that contain greater than 15 percent alcohol;

(6) challenges for design, reforming, storage, handling, and dispensing hydrogen fuel from various feedstocks, including biomass, from neighborhood fueling stations, including codes and standards development necessary beyond that carried out under section 809 of the Energy Policy Act of 2005 (42 U.S.C. 16158);

(7) issues with respect to at which point in the fuel supply chain additives optimally should be added to fuels; and

(8) other problems, as identified by the Assistant Administrator, in consultation with the Secretary and the National Institute of Standards and Technology.

**SEC. 204. STUDY OF INCREASED CONSUMPTION OF ETHANOL-BLENDED GASOLINE WITH HIGHER LEVELS OF ETHANOL.**

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation, and after providing notice and an opportunity for public comment, shall conduct a study of the feasibility of increasing consumption in the United States of ethanol-blended gasoline with levels of ethanol that are not less than 10 percent and not more than 40 percent.

(b) STUDY.—The study under subsection (a) shall include—

(1) a review of production and infrastructure constraints on increasing consumption of ethanol;

(2) an evaluation of the economic, market, and energy-related impacts of State and regional differences in ethanol blends;

(3) an evaluation of the economic, market, and energy-related impacts on gasoline retailers and consumers of separate and dis-

tinctly labeled fuel storage facilities and dispensers;

(4) an evaluation of the environmental impacts of mid-level ethanol blends on evaporative and exhaust emissions from on-road, off-road, and marine engines, recreational boats, vehicles, and equipment;

(5) an evaluation of the impacts of mid-level ethanol blends on the operation, durability, and performance of on-road, off-road, and marine engines, recreational boats, vehicles, and equipment;

(6) an evaluation of the safety impacts of mid-level ethanol blends on consumers that own and operate off-road and marine engines, recreational boats, vehicles, or equipment; and

(7) an evaluation of the impacts of increased use of renewable fuels derived from food crops on the price and supply of agricultural commodities in both domestic and global markets.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study conducted under this section.

**SEC. 205. STUDY OF DIESEL VEHICLE ATTRIBUTES.**

(a) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, shall conduct a study to identify—

(1) the environmental and efficiency attributes of diesel-fueled vehicles as the vehicles compare to comparable gasoline fueled, E-85 fueled, and hybrid vehicles;

(2) the technical, economic, regulatory, environmental, and other obstacles to increasing the usage of diesel-fueled vehicles;

(3) the legislative, administrative, and other actions that could reduce or eliminate the obstacles identified under paragraph (2); and

(4) the costs and benefits associated with reducing or eliminating the obstacles identified under paragraph (2).

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the results of the study conducted under subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**Subtitle B—Clean Coal-Derived Fuels for Energy Security****SEC. 211. SHORT TITLE.**

This subtitle may be cited as the “Clean Coal-Derived Fuels for Energy Security Act of 2008”.

**SEC. 212. DEFINITIONS.**

In this subtitle:

**(1) CLEAN COAL-DERIVED FUEL.**

(A) IN GENERAL.—The term “clean coal-derived fuel” means aviation fuel, motor vehicle fuel, home heating oil, or boiler fuel that is—

(i) substantially derived from the coal resources of the United States; and

(ii) refined or otherwise processed at a facility located in the United States that captures up to 100 percent of the carbon dioxide emissions that would otherwise be released at the facility.

(B) INCLUSIONS.—The term “clean coal-derived fuel” may include any other resource that is extracted, grown, produced, or recovered in the United States.

(2) COVERED FUEL.—The term “covered fuel” means—

- (A) aviation fuel;
- (B) motor vehicle fuel;
- (C) home heating oil; and
- (D) boiler fuel.

(3) SMALL REFINERY.—The term “small refinery” means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

**SEC. 213. CLEAN COAL-DERIVED FUEL PROGRAM.****(a) PROGRAM.**

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the President shall promulgate regulations to ensure that covered fuel sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of clean coal-derived fuel determined in accordance with paragraph (4).

(2) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under paragraph (1)—

(A) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that—

(i) the requirements of this subsection are met; and

(ii) clean coal-derived fuels produced from facilities for the purpose of compliance with this subtitle result in life cycle greenhouse gas emissions that are not greater than gasoline; and

(B) shall not—

(i) restrict geographic areas in the contiguous United States in which clean coal-derived fuel may be used; or

(ii) impose any per-gallon obligation for the use of clean coal-derived fuel.

**(3) RELATIONSHIP TO OTHER REGULATIONS.**

Regulations promulgated under this paragraph shall, to the maximum extent practicable, incorporate the program structure, compliance and reporting requirements established under the final regulations promulgated to implement the renewable fuel program established by the amendment made by section 1501(a)(2) of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat. 1067).

**(4) APPLICABLE VOLUME.**

(A) CALENDAR YEARS 2015 THROUGH 2022.—For the purpose of this subsection, the applicable volume for any of calendar years 2015 through 2022 shall be determined in accordance with the following table:

Calendar year:	Applicable volume of clean coal-derived fuel (in billions of gallons):
2015 .....	0.75
2016 .....	1.5
2017 .....	2.25
2018 .....	3.00
2019 .....	3.75
2020 .....	4.5
2021 .....	5.25
2022 .....	6.0

(B) CALENDAR YEAR 2023 AND THEREAFTER.—Subject to subparagraph (C), for the purposes of this subsection, the applicable volume for calendar year 2023 and each calendar year thereafter shall be determined by the President, in coordination with the Secretary and the Administrator of the Environmental Protection Agency, based on a review of the implementation of the program during calendar years 2015 through 2022, including a review of—

(i) the impact of clean coal-derived fuels on the energy security of the United States;

(ii) the expected annual rate of future production of clean coal-derived fuels; and

(iii) the impact of the use of clean coal-derived fuels on other factors, including job creation, rural economic development, and the environment.

(C) MINIMUM APPLICABLE VOLUME.—For the purpose of this subsection, the applicable volume for calendar year 2023 and each calendar year thereafter shall be equal to the product obtained by multiplying—

(i) the number of gallons of covered fuel that the President estimates will be sold or introduced into commerce in the calendar year; and

(ii) the ratio that—

(I) 6,000,000,000 gallons of clean coal-derived fuel; bears to

(II) the number of gallons of covered fuel sold or introduced into commerce in calendar year 2022.

(B) APPLICABLE PERCENTAGES.—

(1) PROVISION OF ESTIMATE OF VOLUMES OF CERTAIN FUEL SALES.—Not later than October 31 of each of calendar years 2015 through 2021, the Administrator of the Energy Information Administration shall provide to the President an estimate, with respect to the following calendar year, of the volumes of covered fuel projected to be sold or introduced into commerce in the United States.

(2) DETERMINATION OF APPLICABLE PERCENTAGES.—

(A) IN GENERAL.—Not later than November 30 of each of calendar years 2015 through 2022, based on the estimate provided under paragraph (1), the President shall determine and publish in the Federal Register, with respect to the following calendar year, the clean coal-derived fuel obligation that ensures that the requirements of subsection (a) are met.

(B) REQUIRED ELEMENTS.—The clean coal-derived fuel obligation determined for a calendar year under subparagraph (A) shall—

(i) be applicable to refineries, blenders, and importers, as appropriate;

(ii) be expressed in terms of a volume percentage of covered fuel sold or introduced into commerce in the United States; and

(iii) subject to paragraph (3)(A), consist of a single applicable percentage that applies to all categories of persons specified in clause (i).

(3) ADJUSTMENTS.—In determining the applicable percentage for a calendar year, the President shall make adjustments—

(A) to prevent the imposition of redundant obligations on any person specified in paragraph (2)(B)(i); and

(B) to account for the use of clean coal-derived fuel during the previous calendar year by small refineries that are exempt under subsection (f).

(C) VOLUME CONVERSION FACTORS FOR CLEAN COAL-DERIVED FUELS BASED ON ENERGY CONTENT.—

(1) IN GENERAL.—For the purpose of subsection (a), the President shall assign values to specific types of clean coal-derived fuel for the purpose of satisfying the fuel volume requirements of subsection (a)(4) in accordance with this subsection.

(2) ENERGY CONTENT RELATIVE TO DIESEL FUEL.—For clean coal-derived fuels, 1 gallon of the clean coal-derived fuel shall be considered to be the equivalent of 1 gallon of diesel fuel multiplied by the ratio that—

(A) the number of British thermal units of energy produced by the combustion of 1 gallon of the clean coal-derived fuel (as measured under conditions determined by the Secretary); bears to

(B) the number of British thermal units of energy produced by the combustion of 1 gallon of diesel fuel (as measured under conditions determined by the Secretary to be comparable to conditions described in subparagraph (A)).

(d) CREDIT PROGRAM.—

(1) IN GENERAL.—The President, in consultation with the Secretary and the clean coal-derived fuel requirement of this section.

(2) MARKET TRANSPARENCY.—In carrying out the credit program under this subsection, the President shall facilitate price transparency in markets for the sale and trade of credits, with due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.

(e) WAIVERS.—

(1) IN GENERAL.—The President, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, may waive the requirements of subsection (a) in whole or in part on petition by 1 or more States by reducing the national quantity of clean coal-derived fuel required under subsection (a), based on a determination by the President (after public notice and opportunity for comment), that—

(A) implementation of the requirement would severely harm the economy or environment of a State, a region, or the United States; or

(B) extreme and unusual circumstances exist that prevent distribution of an adequate supply of domestically-produced clean coal-derived fuel to consumers in the United States.

(2) PETITIONS FOR WAIVERS.—The President, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, shall approve or disapprove a State petition for a waiver of the requirements of subsection (a) within 90 days after the date on which the petition is received by the President.

(3) TERMINATION OF WAIVERS.—A waiver granted under paragraph (1) shall terminate after 1 year, but may be renewed by the President after consultation with the Secretary and the Administrator of the Environmental Protection Agency.

(f) SMALL REFINERIES.—

(1) TEMPORARY EXEMPTION.—

(A) IN GENERAL.—The requirements of subsection (a) shall not apply to small refineries until calendar year 2018.

(B) EXTENSION OF EXEMPTION.—

(i) STUDY BY SECRETARY.—Not later than December 31, 2013, the Secretary shall submit to the President and Congress a report describing the results of a study to determine whether compliance with the requirements of subsection (a) would impose a disproportionate economic hardship on small refineries.

(ii) EXTENSION OF EXEMPTION.—In the case of a small refinery that the Secretary determines under clause (i) would be subject to a disproportionate economic hardship if required to comply with subsection (a), the President shall extend the exemption under subparagraph (A) for the small refinery for a period of not less than 2 additional years.

(2) PETITIONS BASED ON DISPROPORTIONATE ECONOMIC HARSHSHIP.—

(A) EXTENSION OF EXEMPTION.—A small refinery may at any time petition the President for an extension of the exemption under paragraph (1) for the reason of disproportionate economic hardship.

(B) EVALUATION OF PETITIONS.—In evaluating a petition under subparagraph (A), the President, in consultation with the Sec-

retary, shall consider the findings of the study under paragraph (1)(B) and other economic factors.

(C) DEADLINE FOR ACTION ON PETITIONS.—The President shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

(3) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of subsection (a) if the small refinery notifies the President that the small refinery waives the exemption under paragraph (1).

(g) PENALTIES AND ENFORCEMENT.—

(1) CIVIL PENALTIES.—

(A) IN GENERAL.—Any person that violates a regulation promulgated under subsection (a), or that fails to furnish any information required under such a regulation, shall be liable to the United States for a civil penalty of not more than the total of—

(i) \$25,000 for each day of the violation; and

(ii) the amount of economic benefit or savings received by the person resulting from the violation, as determined by the President.

(B) COLLECTION.—Civil penalties under subparagraph (A) shall be assessed by, and collected in a civil action brought by, the Secretary or such other officer of the United States as is designated by the President.

(2) INJUNCTIVE AUTHORITY.—

(A) IN GENERAL.—The district courts of the United States shall have jurisdiction to—

(i) restrain a violation of a regulation promulgated under subsection (a);

(ii) award other appropriate relief; and

(iii) compel the furnishing of information required under the regulation.

(B) ACTIONS.—An action to restrain such violations and compel such actions shall be brought by and in the name of the United States.

(C) SUBPOENAS.—In the action, a subpoena for a witness who is required to attend a district court in any district may apply in any other district.

(h) EFFECTIVE DATE.—Except as otherwise specifically provided in this section, this section takes effect on January 1, 2016.

**Subtitle C—Oil Shale**

**SEC. 221. REMOVAL OF PROHIBITION ON FINAL REGULATIONS FOR COMMERCIAL LEASING PROGRAM FOR OIL SHALE RESOURCES ON PUBLIC LAND.**

Section 433 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2152) is repealed.

**Subtitle D—Department of Defense Facilitation of Secure Domestic Fuel Development**

**SEC. 231. PROCUREMENT AND ACQUISITION OF ALTERNATIVE FUELS.**

Section 526 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17142) is repealed.

**SEC. 232. MULTIFYEAR CONTRACT AUTHORITY FOR THE DEPARTMENT OF DEFENSE FOR THE PROCUREMENT OF SYNTHETIC FUELS.**

(a) MULTIFYEAR CONTRACTS FOR THE PROCUREMENT OF SYNTHETIC FUELS AUTHORIZED.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

**“§ 2410r. Multiyear contract authority: purchase of synthetic fuels**

“(a) MULTIFYEAR CONTRACTS AUTHORIZED.—The head of an agency may enter into contracts for a period not to exceed 25 years for the purchase of synthetic fuels.

“(b) DEFINITIONS.—In this section:

“(1) The term ‘head of an agency’ has the meaning given that term in section 2302(1) of this title.

“(2) The term ‘synthetic fuel’ means any liquid, gas, or combination thereof that—

“(A) can be used as a substitute for petroleum or natural gas (or any derivative thereof, including chemical feedstocks); and

“(B) is produced by chemical or physical transformation of domestic sources of energy.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by adding at the end the following new item:

“2410r. Multiyear contract authority: purchase of synthetic fuels.”.

(b) REGULATIONS.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations providing that the head of an agency may initiate a multiyear contract as authorized by section 2410r of title 10, United States Code (as added by subsection (a)), only if the head of the agency has determined in writing that—

(1) there is a reasonable expectation that throughout the contemplated contract period the head of the agency will request funding for the contract at the level required to avoid contract cancellation;

(2) the technical risks associated with the technologies for the production of synthetic fuel under the contract are not excessive; and

(3) the contract will contain appropriate pricing mechanisms to minimize risk to the Government from significant changes in market prices for energy.

(c) LIMITATION ON USE OF AUTHORITY.—No contract may be entered into under the authority in section 2410r of title 10, United States Code (as so added), until the regulations required by subsection (b) are prescribed.

**SA 4721.** Mr. ALLARD proposed an amendment to amendment SA 4720 proposed by Mr. McCONNELL to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency to the flood insurance fund, and for other purposes; as follows:

On Page 1, strike all after “TITLE I—TRADITIONAL RESOURCES” and insert:

#### Subtitle A—Outer Continental Shelf

Sec. 101. Publication of projected State lines on outer Continental Shelf.  
Sec. 102. Production of oil and natural gas in new producing areas.  
Sec. 103. Conforming amendment.

#### Subtitle B—Leasing Program for Land Within Coastal Plain

Sec. 111. Definitions.  
Sec. 112. Leasing program for land within the Coastal Plain.  
Sec. 113. Lease sales.  
Sec. 114. Grant of leases by the Secretary.  
Sec. 115. Lease terms and conditions.  
Sec. 116. Coastal plain environmental protection.  
Sec. 117. Expedited judicial review.  
Sec. 118. Rights-of-way and easements across Coastal Plain.  
Sec. 119. Conveyance.  
Sec. 120. Local government impact aid and community service assistance.  
Sec. 121. Prohibition on exports.  
Sec. 122. Allocation of revenues.  
Sec. 131. Refinery permitting process.

Sec. 132. Removal of additional fee for new applications for permits to drill.

#### Subtitle D—Strategic Petroleum Reserve

Sec. 141. Suspension of petroleum acquisition for Strategic Petroleum Reserve.

#### Subtitle E—Restoration of State Revenue

Sec. 151. Restoration of State revenue.

#### TITLE II—ALTERNATIVE RESOURCES

##### Subtitle A—Renewable Fuel and Advanced Energy Technology

Sec. 201. Definition of renewable biomass.

Sec. 202. Advanced battery manufacturing incentive program.

Sec. 203. Biofuels infrastructure and additives research and development.

Sec. 204. Study of increased consumption of ethanol-blended gasoline with higher levels of ethanol.

Sec. 205. Study of diesel vehicle attributes.

##### Subtitle B—Clean Coal-Derived Fuels for Energy Security

Sec. 211. Short title.

Sec. 212. Definitions.

Sec. 213. Clean coal-derived fuel program.

##### Subtitle C—Oil Shale

Sec. 221. Removal of prohibition on final regulations for commercial leasing program for oil shale resources on public land.

#### Subtitle D—Department of Defense Facilitation of Secure Domestic Fuel Development

Sec. 231. Procurement and acquisition of alternative fuels.

Sec. 232. Multiyear contract authority for the Department of Defense for the procurement of synthetic fuels.

#### SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term “Secretary” means the Secretary of Energy.

#### TITLE I—TRADITIONAL RESOURCES

##### Subtitle A—Outer Continental Shelf

#### SEC. 101. PUBLICATION OF PROJECTED STATE LINES ON OUTER CONTINENTAL SHELF.

Section 4(a)(2)(A) of the Outer Continental Shelf Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended—

(1) by designating the first, second, and third sentences as clause (i), (iii), and (iv), respectively;

(2) in clause (i) (as so designated), by inserting before the period at the end the following: “not later than 90 days after the date of enactment of the Domestic Energy Production Act of 2008”; and

(3) by inserting after clause (i) (as so designated) the following:

“(ii)(I) The projected lines shall also be used for the purpose of preleasing and leasing activities conducted in new producing areas under section 32.

“(II) This clause shall not affect any property right or title to Federal submerged land on the outer Continental Shelf.

“(III) In carrying out this clause, the President shall consider the offshore administrative boundaries beyond State submerged lands for planning, coordination, and administrative purposes of the Department of the Interior, but may establish different boundaries.”.

#### SEC. 102. PRODUCTION OF OIL AND NATURAL GAS IN NEW PRODUCING AREAS.

The Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) is amended by adding at the end the following:

#### SEC. 32. PRODUCTION OF OIL AND NATURAL GAS IN NEW PRODUCING AREAS.

“(a) DEFINITIONS.—In this section:

“(1) COASTAL POLITICAL SUBDIVISION.—The term ‘coastal political subdivision’ means a political subdivision of a new producing State any part of which political subdivision is—

“(A) within the coastal zone (as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453)) of the new producing State as of the date of enactment of this section; and

“(B) not more than 200 nautical miles from the geographic center of any leased tract.

##### (2) MORATORIUM AREA.—

“(A) IN GENERAL.—The term ‘moratorium area’ means an area covered by sections 104 through 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2118) (as in effect on the day before the date of enactment of this section).

“(B) EXCLUSION.—The term ‘moratorium area’ does not include an area located in the Gulf of Mexico.

“(3) NEW PRODUCING AREA.—The term ‘new producing area’ means any moratorium area within the offshore administrative boundaries beyond the submerged land of a State that is located greater than 50 miles from the coastline of the State.

“(4) NEW PRODUCING STATE.—The term ‘new producing State’ means a State that has, within the offshore administrative boundaries beyond the submerged land of the State, a new producing area available for oil and gas leasing under subsection (b).

“(5) OFFSHORE ADMINISTRATIVE BOUNDARIES.—The term ‘offshore administrative boundaries’ means the administrative boundaries established by the Secretary beyond State submerged land for planning, coordination, and administrative purposes of the Department of the Interior and published in the Federal Register on January 3, 2006 (71 Fed. Reg. 127).

##### (6) QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

“(A) IN GENERAL.—The term ‘qualified outer Continental Shelf revenues’ means all rentals, royalties, bonus bids, and other sums due and payable to the United States from leases entered into on or after the date of enactment of this section for new producing areas.

“(B) EXCLUSIONS.—The term ‘qualified outer Continental Shelf revenues’ does not include—

“(i) revenues from a bond or other surety forfeited for obligations other than the collection of royalties;

“(ii) revenues from civil penalties;

“(iii) royalties taken by the Secretary in kind and not sold;

“(iv) revenues generated from leases subject to section 8(g); or

“(v) any revenues considered qualified outer Continental Shelf revenues under section 102 of the Gulf of Mexico Energy Security Act of 2006 (43 U.S.C. 1331 note; Public Law 109-432).

##### (b) PETITION FOR LEASING NEW PRODUCING AREAS.—

“(1) IN GENERAL.—Beginning on the date on which the President delineates projected State lines under section 4(a)(2)(A)(ii), the Governor of a State with a new producing area within the offshore administrative boundaries beyond the submerged land of the State may submit to the Secretary a petition requesting that the Secretary make the new producing area available for oil and gas leasing.

“(2) ACTION BY SECRETARY.—Notwithstanding section 18, as soon as practicable after receipt of a petition under paragraph

(1), the Secretary shall approve the petition if the Secretary determines that leasing the new producing area would not create an unreasonable risk of harm to the marine, human, or coastal environment.

**“(c) DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM NEW PRODUCING AREAS.—**

“(1) IN GENERAL.—Notwithstanding section 9 and subject to the other provisions of this subsection, for each applicable fiscal year, the Secretary of the Treasury shall deposit—

“(A) 50 percent of qualified outer Continental Shelf revenues in the general fund of the Treasury; and

“(B) 50 percent of qualified outer Continental Shelf revenues in a special account in the Treasury from which the Secretary shall disburse—

“(i) 75 percent to new producing States in accordance with paragraph (2); and

“(ii) 25 percent to provide financial assistance to States in accordance with section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8), which shall be considered income to the Land and Water Conservation Fund for purposes of section 2 of that Act (16 U.S.C. 460l–5).

**“(2) ALLOCATION TO NEW PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—**

“(A) ALLOCATION TO NEW PRODUCING STATES.—Effective for fiscal year 2008 and each fiscal year thereafter, the amount made available under paragraph (1)(B)(i) shall be allocated to each new producing State in amounts (based on a formula established by the Secretary by regulation) proportional to the amount of qualified outer Continental Shelf revenues generated in the new producing area offshore each State.

**“(B) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—**

“(i) IN GENERAL.—The Secretary shall pay 20 percent of the allocable share of each new producing State, as determined under subparagraph (A), to the coastal political subdivisions of the new producing State.

“(ii) ALLOCATION.—The amount paid by the Secretary to coastal political subdivisions shall be allocated to each coastal political subdivision in accordance with subparagraphs (B) and (C) of section 31(b)(4).

“(3) MINIMUM ALLOCATION.—The amount allocated to a new producing State for each fiscal year under paragraph (2) shall be at least 5 percent of the amounts available under for the fiscal year under paragraph (1)(B)(i).

“(4) TIMING.—The amounts required to be deposited under subparagraph (B) of paragraph (1) for the applicable fiscal year shall be made available in accordance with that subparagraph during the fiscal year immediately following the applicable fiscal year.

**“(5) AUTHORIZED USES.—**

“(A) IN GENERAL.—Subject to subparagraph (B), each new producing State and coastal political subdivision shall use all amounts received under paragraph (2) in accordance with all applicable Federal and State laws, only for 1 or more of the following purposes:

“(i) Projects and activities for the purposes of coastal protection, including conservation, coastal restoration, hurricane protection, and infrastructure directly affected by coastal wetland losses.

“(ii) Mitigation of damage to fish, wildlife, or natural resources.

“(iii) Implementation of a federally-approved marine, coastal, or comprehensive conservation management plan.

“(iv) Mitigation of the impact of outer Continental Shelf activities through the funding of onshore infrastructure projects.

“(v) Planning assistance and the administrative costs of complying with this section.

“(B) LIMITATION.—Not more than 3 percent of amounts received by a new producing State or coastal political subdivision under paragraph (2) may be used for the purposes described in subparagraph (A)(v).

“(6) ADMINISTRATION.—Amounts made available under paragraph (1)(B) shall—

“(A) be made available, without further appropriation, in accordance with this subsection;

“(B) remain available until expended; and

“(C) be in addition to any amounts appropriated under—

“(i) other provisions of this Act;

“(ii) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.); or

“(iii) any other provision of law.

“(d) DISPOSITION OF QUALIFIED OUTER CONTINENTAL SHELF REVENUES FROM OTHER AREAS.—Notwithstanding section 9, for each applicable fiscal year, the terms and conditions of subsection (c) shall apply to the disposition of qualified outer Continental Shelf revenues that—

“(1) are derived from oil or gas leasing in an area that is not included in the current 5-year plan of the Secretary for oil or gas leasing; and

“(2) are not assumed in the budget of the United States Government submitted by the President under section 1105 of title 31, United States Code.”.

**SEC. 103. CONFORMING AMENDMENT.**

Sections 104 through 105 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110–161; 121 Stat. 2118) are repealed.

**Subtitle B—Leasing Program for Land Within Coastal Plain**

**SEC. 111. DEFINITIONS.**

In this subtitle:

(1) COASTAL PLAIN.—The term “Coastal Plain” means that area identified as the “1002 Coastal Plain Area” on the map.

(2) FEDERAL AGREEMENT.—The term “Federal Agreement” means the Federal Agreement and Grant Right-of-Way for the Trans-Alaska Pipeline issued on January 23, 1974, in accordance with section 28 of the Mineral Leasing Act (30 U.S.C. 185) and the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.).

(3) FINAL STATEMENT.—The term “Final Statement” means the final legislative environmental impact statement on the Coastal Plain, dated April 1987, and prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(4) MAP.—The term “map” means the map entitled “Arctic National Wildlife Refuge”, dated September 2005, and prepared by the United States Geological Survey.

(5) SECRETARY.—The term “Secretary” means the Secretary of the Interior (or the designee of the Secretary), acting through the Director of the Bureau of Land Management in consultation with the Director of the United States Fish and Wildlife Service and in coordination with a State coordinator appointed by the Governor of the State of Alaska.

**SEC. 112. LEASING PROGRAM FOR LAND WITHIN THE COASTAL PLAIN.**

**(a) IN GENERAL.—**

(1) AUTHORIZATION.—Congress authorizes the exploration, leasing, development, production, and economically feasible and prudent transportation of oil and gas in and from the Coastal Plain.

(2) ACTIONS.—The Secretary shall take such actions as are necessary—

(A) to establish and implement, in accordance with this subtitle, a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain while taking into consideration the interests and concerns of residents of the Coastal Plain, which is the homeland of the Kaktovikmiut Inupiat; and

(B) to administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(i) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment; and

(ii) require the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this subtitle in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased.

**(b) REPEAL.—**

(1) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3143) is repealed.

(2) CONFORMING AMENDMENT.—The table of contents contained in section 1 of that Act (16 U.S.C. 3101 note) is amended by striking the item relating to section 1003.

**(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—**

(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.)—

(A) the oil and gas pre-leasing and leasing program, and activities authorized by this section in the Coastal Plain, shall be considered to be compatible with the purposes for which the Arctic National Wildlife Refuge was established; and

(B) no further findings or decisions shall be required to implement that program and those activities.

(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR’S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The Final Statement shall be considered to satisfy the requirements under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) that apply with respect to pre-leasing activities, including exploration programs and actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this subtitle before the conduct of the first lease sale.

**(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—**

(A) IN GENERAL.—Before conducting the first lease sale under this subtitle, the Secretary shall prepare an environmental impact statement in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to the actions authorized by this subtitle that are not referred to in paragraph (2).

(B) IDENTIFICATION AND ANALYSIS.—Notwithstanding any other provision of law, in carrying out this paragraph, the Secretary shall not be required—

(i) to identify nonleasing alternative courses of action; or

(ii) to analyze the environmental effects of those courses of action.

(C) IDENTIFICATION OF PREFERRED ACTION.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—  
 (i) identify only a preferred action and a single leasing alternative for the first lease sale authorized under this subtitle; and

(ii) analyze the environmental effects and potential mitigation measures for those 2 alternatives.

(D) PUBLIC COMMENTS.—In carrying out this paragraph, the Secretary shall consider only public comments that are filed not later than 20 days after the date of publication of a draft environmental impact statement.

(E) EFFECT OF COMPLIANCE.—Notwithstanding any other provision of law, compliance with this paragraph shall be considered to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this subtitle.

(D) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this subtitle expands or limits any State or local regulatory authority.

(e) SPECIAL AREAS.—

(1) DESIGNATION.—

(A) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the North Slope Borough, Alaska, and the City of Kaktovik, Alaska, may designate not more than 45,000 acres of the Coastal Plain as a special area if the Secretary determines that the special area would be of such unique character and interest as to require special management and regulatory protection.

(B) SADLEROCHIT SPRING AREA.—The Secretary shall designate as a special area in accordance with subparagraph (A) the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map.

(2) MANAGEMENT.—The Secretary shall manage each special area designated under this subsection in a manner that—

(A) respects and protects the Native people of the area; and

(B) preserves the unique and diverse character of the area, including fish, wildlife, subsistence resources, and cultural values of the area.

(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—

(A) IN GENERAL.—The Secretary may exclude any special area designated under this subsection from leasing.

(B) NO SURFACE OCCUPANCY.—If the Secretary leases all or a portion of a special area for the purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the land comprising the special area.

(4) DIRECTIONAL DRILLING.—Notwithstanding any other provision of this subsection, the Secretary may lease all or a portion of a special area under terms that permit the use of horizontal drilling technology from sites on leases located outside the special area.

(F) LIMITATION ON CLOSED AREAS.—The Secretary may not close land within the Coastal Plain to oil and gas leasing or to exploration, development, or production except in accordance with this subtitle.

(g) REGULATIONS.—

(1) IN GENERAL.—Not later than 15 months after the date of enactment of this Act, in consultation with appropriate agencies of the State of Alaska, the North Slope Borough, Alaska, and the City of Kaktovik, Alaska, the Secretary shall issue such regulations as are necessary to carry out this subtitle, including rules and regulations relating to protection of the fish and wildlife, fish and wildlife habitat, and subsistence resources of the Coastal Plain.

(2) REVISION OF REGULATIONS.—The Secretary may periodically review and, as appropriate, revise the rules and regulations issued under paragraph (1) to reflect any significant scientific or engineering data that come to the attention of the Secretary.

**SEC. 113. LEASE SALES.**

(a) IN GENERAL.—Land may be leased pursuant to this subtitle to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after that nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Bidding for leases under this subtitle shall be by sealed competitive cash bonus bids.

(d) ACREAGE MINIMUM IN FIRST SALE.—For the first lease sale under this subtitle, the Secretary shall offer for lease those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1), but in no case less than 200,000 acres.

(e) TIMING OF LEASE SALES.—The Secretary shall—

(1) not later than 22 months after the date of enactment of this Act, conduct the first lease sale under this subtitle;

(2) not later than September 30, 2012, conduct a second lease sale under this subtitle; and

(3) conduct additional sales at appropriate intervals if sufficient interest in exploration or development exists to warrant the conduct of the additional sales.

**SEC. 114. GRANT OF LEASES BY THE SECRETARY.**

(a) IN GENERAL.—Upon payment by a lessee of such bonus as may be accepted by the Secretary, the Secretary may grant to the highest responsible qualified bidder in a lease sale conducted pursuant to section 113 a lease for any land on the Coastal Plain.

(b) SUBSEQUENT TRANSFERS.—

(1) IN GENERAL.—No lease issued under this subtitle may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary.

(2) CONDITION FOR APPROVAL.—Before granting any approval described in paragraph (1), the Secretary shall consult with and give due consideration to the opinion of the Attorney General.

**SEC. 115. LEASE TERMS AND CONDITIONS.**

(a) IN GENERAL.—An oil or gas lease issued pursuant to this subtitle shall—

(1) provide for the payment of a royalty of not less than 16½ percent of the amount or value of the production removed or sold from the lease, as determined by the Secretary in accordance with regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, such portions of the Coastal Plain to exploratory drilling activities as are necessary to protect caribou calving areas and other species of fish and wildlife;

(3) require that each lessee of land within the Coastal Plain shall be fully responsible and liable for the reclamation of land within the Coastal Plain and any other Federal land that is adversely affected in connection with exploration, development, production, or

transportation activities within the Coastal Plain conducted by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, that reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for land required to be reclaimed under this subtitle shall be, to the maximum extent practicable—

(A) a condition capable of supporting the uses that the land was capable of supporting prior to any exploration, development, or production activities; or

(B) upon application by the lessee, to a higher or better standard, as approved by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment as required under section 112(a)(2);

(7) provide that each lessee, and each agent and contractor of a lessee, use their best efforts to provide a fair share of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State of Alaska, as determined by the level of obligation previously agreed to in the Federal Agreement; and

(8) contain such other provisions as the Secretary determines to be necessary to ensure compliance with this subtitle and regulations issued under this subtitle.

(b) PROJECT LABOR AGREEMENTS.—The Secretary, as a term and condition of each lease under this subtitle, and in recognizing the proprietary interest of the Federal Government in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under the leases issued pursuant to this subtitle (including the special concerns of the parties to those leases), shall require that each lessee, and each agent and contractor of a lessee, under this subtitle negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction under the lease.

**SEC. 116. COASTAL PLAIN ENVIRONMENTAL PROTECTION.**

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—In accordance with section 112, the Secretary shall administer this subtitle through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, or other provisions that—

(1) ensure, to the maximum extent practicable, that oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, fish and wildlife habitat, and the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum surface acreage covered in connection with the leasing program by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall require, with respect to any proposed drilling and related activities on the Coastal Plain, that—

(1) a site-specific environmental analysis be made of the probable effects, if any, that

the drilling or related activities will have on fish and wildlife, fish and wildlife habitat, subsistence resources, subsistence uses, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the maximum extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan occur after consultation with—

(A) each agency having jurisdiction over matters mitigated by the plan;

(B) the State of Alaska;

(C) North Slope Borough, Alaska; and

(D) the City of Kaktovik, Alaska.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this subtitle, the Secretary shall prepare and issue regulations, lease terms, conditions, restrictions, prohibitions, stipulations, or other measures designed to ensure, to the maximum extent practicable, that the activities carried out on the Coastal Plain under this subtitle are conducted in a manner consistent with the purposes and environmental requirements of this subtitle.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this subtitle shall require—

(1) compliance with all applicable provisions of Federal and State environmental law (including regulations);

(2) implementation of and compliance with—

(A) standards that are at least as effective as the safety and environmental mitigation measures, as described in items 1 through 29 on pages 167 through 169 of the Final Statement, on the Coastal Plain;

(B) seasonal limitations on exploration, development, and related activities, as necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration;

(C) design safety and construction standards for all pipelines and any access and service roads that minimize, to the maximum extent practicable, adverse effects on—

(i) the passage of migratory species (such as caribou); and

(ii) the flow of surface water by requiring the use of culverts, bridges, or other structural devices;

(D) prohibitions on general public access to, and use of, all pipeline access and service roads;

(E) stringent reclamation and rehabilitation requirements in accordance with this subtitle for the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment on completion of oil and gas production operations, except in a case in which the Secretary determines that those facilities, structures, or equipment—

(i) would assist in the management of the Arctic National Wildlife Refuge; and

(ii) are donated to the United States for that purpose;

(F) appropriate prohibitions or restrictions on—

(i) access by all modes of transportation;

(ii) sand and gravel extraction; and

(iii) use of explosives;

(G) reasonable stipulations for protection of cultural and archaeological resources;

(H) measures to protect groundwater and surface water, including—

(i) avoidance, to the maximum extent practicable, of springs, streams, and river systems;

(ii) the protection of natural surface drainage patterns and wetland and riparian habitats; and

(iii) the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling; and

(I) research, monitoring, and reporting requirements;

(3) that exploration activities (except surface geological studies) be limited to the period between approximately November 1 and May 1 of each year and be supported, if necessary, by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods (except that those exploration activities may be permitted at other times if the Secretary determines that the exploration will have no significant adverse effect on fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment of the Coastal Plain);

(4) consolidation of facility siting;

(5) avoidance or reduction of air traffic-related disturbance to fish and wildlife;

(6) treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including, in accordance with applicable Federal and State environmental laws (including regulations)—

(A) preparation of an annual waste management report;

(B) development and implementation of a hazardous materials tracking system; and

(C) prohibition on the use of chlorinated solvents;

(7) fuel storage and oil spill contingency planning;

(8) conduct of periodic field crew environmental briefings;

(9) avoidance of significant adverse effects on subsistence hunting, fishing, and trapping;

(10) compliance with applicable air and water quality standards;

(11) appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited; and

(12) development and implementation of such other protective environmental requirements, restrictions, terms, or conditions as the Secretary, after consultation with the State of Alaska, North Slope Borough, Alaska, and the City of Kaktovik, Alaska, determines to be necessary.

(e) CONSIDERATIONS.—In preparing and issuing regulations, lease terms, conditions, restrictions, prohibitions, or stipulations under this section, the Secretary shall take into consideration—

(1) the stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement;

(2) the environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 through 37.33 of title 50, Code of Federal Regulations (or successor regulations); and

(3) the land use stipulations for exploratory drilling on the KIC-ASRC private land described in Appendix 2 of the agreement between Arctic Slope Regional Corporation and the United States dated August 9, 1983.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—After providing for public notice and comment, the Secretary shall prepare and periodically update a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of oil and gas resources from the Coastal Plain.

(2) OBJECTIVES.—The objectives of the plan shall be—

(A) the avoidance of unnecessary duplication of facilities and activities;

(B) the encouragement of consolidation of common facilities and activities;

(C) the location or confinement of facilities and activities to areas that will minimize impact on fish and wildlife, fish and wildlife habitat, subsistence resources, and the environment;

(D) the use of existing facilities, to the maximum extent practicable; and

(E) the enhancement of compatibility between wildlife values and development activities.

(g) ACCESS TO PUBLIC LAND.—The Secretary shall—

(1) manage public land in the Coastal Plain in accordance with subsections (a) and (b) of section 811 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3121); and

(2) ensure that local residents shall have reasonable access to public land in the Coastal Plain for traditional uses.

#### SEC. 117. EXPEDITED JUDICIAL REVIEW.

(a) FILING OF COMPLAINTS.—

(1) DEADLINE.—A complaint seeking judicial review of a provision of this subtitle or an action of the Secretary under this subtitle shall be filed—

(A) except as provided in subparagraph (B), during the 90-day period beginning on the date on which the action being challenged was carried out; or

(B) in the case of a complaint based solely on grounds arising after the 90-day period described in subparagraph (A), during the 90-day period beginning on the date on which the complainant knew or reasonably should have known about the grounds for the complaint.

(2) VENUE.—A complaint seeking judicial review of a provision of this subtitle or an action of the Secretary under this subtitle shall be filed in the United States Court of Appeals for the District of Columbia.

(3) SCOPE.—

(A) IN GENERAL.—Judicial review of a decision of the Secretary under this subtitle (including an environmental analysis of such a lease sale) shall be—

(i) limited to a review of whether the decision is in accordance with this subtitle; and

(ii) based on the administrative record of the decision.

(B) PRESUMPTIONS.—Any identification by the Secretary of a preferred course of action relating to a lease sale, and any analysis by the Secretary of environmental effects, under this subtitle shall be presumed to be correct unless proven otherwise by clear and convincing evidence.

(b) LIMITATION ON OTHER REVIEW.—Any action of the Secretary that is subject to judicial review under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

#### SEC. 118. RIGHTS-OF-WAY AND EASEMENTS ACROSS COASTAL PLAIN.

For purposes of section 1102(4)(A) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3162(4)(A)), any rights-of-way or easements across the Coastal Plain for the exploration, development, production, or transportation of oil and gas shall be considered to be established incident to the

management of the Coastal Plain under this section.

#### SEC. 119. CONVEYANCE.

Notwithstanding section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), to remove any cloud on title to land, and to clarify land ownership patterns in the Coastal Plain, the Secretary shall—

(1) to the extent necessary to fulfill the entitlement of the Kaktovik Inupiat Corporation under sections 12 and 14 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611, 1613), as determined by the Secretary, convey to that Corporation the surface estate of the land described in paragraph (1) of Public Land Order 6959, in accordance with the terms and conditions of the agreement between the Secretary, the United States Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation, dated January 22, 1993; and

(2) convey to the Arctic Slope Regional Corporation the remaining subsurface estate to which that Corporation is entitled under the agreement between that corporation and the United States, dated August 9, 1983.

#### SEC. 120. LOCAL GOVERNMENT IMPACT AID AND COMMUNITY SERVICE ASSISTANCE.

##### (a) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—As a condition on the receipt of funds under section 122(2), the State of Alaska shall establish in the treasury of the State, and administer in accordance with this section, a fund to be known as the “Coastal Plain Local Government Impact Aid Assistance Fund” (referred to in this section as the “Fund”).

(2) DEPOSITS.—Subject to paragraph (1), the Secretary of the Treasury shall deposit into the Fund, \$35,000,000 each year from the amount available under section 122(2)(A).

(3) INVESTMENT.—The Governor of the State of Alaska (referred to in this section as the “Governor”) shall invest amounts in the Fund in interest-bearing securities of the United States or the State of Alaska.

(b) ASSISTANCE.—The Governor, in cooperation with the Mayor of the North Slope Borough, shall use amounts in the Fund to provide assistance to North Slope Borough, Alaska, the City of Kaktovik, Alaska, and any other borough, municipal subdivision, village, or other community in the State of Alaska that is directly impacted by exploration for, or the production of, oil or gas on the Coastal Plain under this subtitle, or any Alaska Native Regional Corporation acting on behalf of the villages and communities within its region whose lands lie along the right of way of the Trans Alaska Pipeline System, as determined by the Governor.

##### (c) APPLICATION.—

(1) IN GENERAL.—To receive assistance under subsection (b), a community or Regional Corporation described in that subsection shall submit to the Governor, or to the Mayor of the North Slope Borough, an application in such time, in such manner, and containing such information as the Governor may require.

(2) ACTION BY NORTH SLOPE BOROUGH.—The Mayor of the North Slope Borough shall submit to the Governor each application received under paragraph (1) as soon as practicable after the date on which the application is received.

(3) ASSISTANCE OF GOVERNOR.—The Governor shall assist communities in submitting applications under this subsection, to the maximum extent practicable.

(d) USE OF FUNDS.—A community or Regional Corporation that receives funds under subsection (b) may use the funds—

(1) to plan for mitigation, implement a mitigation plan, or maintain a mitigation project to address the potential effects of oil and gas exploration and development on environmental, social, cultural, recreational, and subsistence resources of the community;

(2) to develop, carry out, and maintain—

(A) a project to provide new or expanded public facilities; or

(B) services to address the needs and problems associated with the effects described in paragraph (1), including firefighting, police, water and waste treatment, first responder, and other medical services;

(3) to compensate residents of the Coastal Plain for significant damage to environmental, social, cultural, recreational, or subsistence resources; and

(4) in the City of Kaktovik, Alaska—

(A) to develop a mechanism for providing members of the Kaktovikmiut Inupiat community an opportunity to—

(i) monitor development on the Coastal Plain; and

(ii) provide information and recommendations to the Governor based on traditional aboriginal knowledge of the natural resources, flora, fauna, and ecological processes of the Coastal Plain; and

(B) to establish a local coordination office, to be managed by the Mayor of the North Slope Borough, in coordination with the City of Kaktovik, Alaska—

(i) to coordinate with and advise developers on local conditions and the history of areas affected by development;

(ii) to provide to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate annual reports on the status of the coordination between developers and communities affected by development;

(iii) to collect from residents of the Coastal Plain information regarding the impacts of development on fish, wildlife, habitats, subsistence resources, and the environment of the Coastal Plain; and

(iv) to ensure that the information collected under clause (iii) is submitted to—

(I) developers; and

(II) any appropriate Federal agency.

#### SEC. 121. PROHIBITION ON EXPORTS.

An oil or gas lease issued under this subtitle shall prohibit the exportation of oil or gas produced under the lease.

#### SEC. 122. ALLOCATION OF REVENUES.

Notwithstanding the Mineral Leasing Act (30 U.S.C. 181 et seq.) or any other provision of law, of the adjusted bonus, rental, and royalty receipts from Federal oil and gas leasing and operations authorized under this subtitle:

(1) 50 percent shall be deposited in the general fund of the Treasury.

(2) The remainder shall be available as follows:

(A) \$35,000,000 shall be deposited by the Secretary of the Treasury into the fund created under section 120(a)(1).

(B) The remainder shall be disbursed to the State of Alaska.

#### Subtitle C—Permitting

#### SEC. 131. REFINERY PERMITTING PROCESS.

##### (a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) PERMIT.—The term “permit” means any permit, license, approval, variance, or other

form of authorization that a refiner is required to obtain—

(A) under any Federal law; or

(B) from a State or Indian tribal government agency delegated authority by the Federal Government, or authorized under Federal law, to issue permits.

(4) REFINER.—The term “refiner” means a person that—

(A) owns or operates a refinery; or

(B) seeks to become an owner or operator of a refinery.

(5) REFINERY.—

(A) IN GENERAL.—The term “refinery” means—

(i) a facility at which crude oil is refined into transportation fuel or other petroleum products; and

(ii) a coal liquification or coal-to-liquid facility at which coal is processed into synthetic crude oil or any other fuel.

(B) INCLUSIONS.—The term “refinery” includes an expansion of a refinery.

(6) REFINERY EXPANSION.—The term “refinery expansion” means a physical change in a refinery that results in an increase in the capacity of the refinery.

(7) REFINERY PERMITTING AGREEMENT.—The term “refinery permitting agreement” means an agreement entered into between the Administrator and a State or Indian tribe under subsection (b).

(8) SECRETARY.—The term “Secretary” means the Secretary of Commerce.

(9) STATE.—The term “State” means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

#### (b) STREAMLINING OF REFINERY PERMITTING PROCESS.—

(1) IN GENERAL.—At the request of the Governor of a State or the governing body of an Indian tribe, the Administrator shall enter into a refinery permitting agreement with the State or Indian tribe under which the process for obtaining all permits necessary for the construction and operation of a refinery shall be streamlined using a systematic interdisciplinary multimedia approach as provided in this section.

(2) AUTHORITY OF ADMINISTRATOR.—Under a refinery permitting agreement—

(A) the Administrator shall have authority, as applicable and necessary, to—

(i) accept from a refiner a consolidated application for all permits that the refiner is required to obtain to construct and operate a refinery;

(ii) in consultation and cooperation with each Federal, State, or Indian tribal government agency that is required to make any determination to authorize the issuance of a permit, establish a schedule under which each agency shall—

(I) concurrently consider, to the maximum extent practicable, each determination to be made; and

(II) complete each step in the permitting process; and

(iii) issue a consolidated permit that combines all permits issued under the schedule established under clause (ii); and

(B) the Administrator shall provide to State and Indian tribal government agencies—

(i) financial assistance in such amounts as the agencies reasonably require to hire such additional personnel as are necessary to enable the government agencies to comply with the applicable schedule established under subparagraph (A)(ii); and

(ii) technical, legal, and other assistance in complying with the refinery permitting agreement.

(3) AGREEMENT BY THE STATE.—Under a refinery permitting agreement, a State or governing body of an Indian tribe shall agree that—

(A) the Administrator shall have each of the authorities described in paragraph (2); and

(B) each State or Indian tribal government agency shall—

(i) in accordance with State law, make such structural and operational changes in the agencies as are necessary to enable the agencies to carry out consolidated project-wide permit reviews concurrently and in coordination with the Environmental Protection Agency and other Federal agencies; and

(ii) comply, to the maximum extent practicable, with the applicable schedule established under paragraph (2)(A)(ii).

(4) DEADLINES.—

(A) NEW REFINERIES.—In the case of a consolidated permit for the construction of a new refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 360 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 90 days after the expiration of the deadline established under clause (i).

(B) EXPANSION OF EXISTING REFINERIES.—In the case of a consolidated permit for the expansion of an existing refinery, the Administrator and the State or governing body of an Indian tribe shall approve or disapprove the consolidated permit not later than—

(i) 120 days after the date of the receipt of the administratively complete application for the consolidated permit; or

(ii) on agreement of the applicant, the Administrator, and the State or governing body of the Indian tribe, 30 days after the expiration of the deadline established under clause (i).

(5) FEDERAL AGENCIES.—Each Federal agency that is required to make any determination to authorize the issuance of a permit shall comply with the applicable schedule established under paragraph (2)(A)(ii).

(6) JUDICIAL REVIEW.—Any civil action for review of any permit determination under a refinery permitting agreement shall be brought exclusively in the United States district court for the district in which the refinery is located or proposed to be located.

(7) EFFICIENT PERMIT REVIEW.—In order to reduce the duplication of procedures, the Administrator shall use State permitting and monitoring procedures to satisfy substantially equivalent Federal requirements under this title.

(8) SEVERABILITY.—If 1 or more permits that are required for the construction or operation of a refinery are not approved on or before any deadline established under paragraph (4), the Administrator may issue a consolidated permit that combines all other permits that the refiner is required to obtain other than any permits that are not approved.

(9) SAVINGS.—Nothing in this subsection affects the operation or implementation of otherwise applicable law regarding permits necessary for the construction and operation of a refinery.

(10) CONSULTATION WITH LOCAL GOVERNMENTS.—Congress encourages the Adminis-

trator, States, and tribal governments to consult, to the maximum extent practicable, with local governments in carrying out this subsection.

(11) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(12) EFFECT ON LOCAL AUTHORITY.—Nothing in this subsection affects—

(A) the authority of a local government with respect to the issuance of permits; or

(B) any requirement or ordinance of a local government (such as a zoning regulation).

(c) FISCHER-TROPSCH FUELS.—

(1) IN GENERAL.—In cooperation with the Secretary of Energy, the Secretary of Defense, the Administrator of the Federal Aviation Administration, Secretary of Health and Human Services, and Fischer-Tropsch industry representatives, the Administrator shall—

(A) conduct a research and demonstration program to evaluate the air quality benefits of ultra-clean Fischer-Tropsch transportation fuel, including diesel and jet fuel;

(B) evaluate the use of ultra-clean Fischer-Tropsch transportation fuel as a mechanism for reducing engine exhaust emissions; and

(C) submit recommendations to Congress on the most effective use and associated benefits of these ultra-clean fuel for reducing public exposure to exhaust emissions.

(2) GUIDANCE AND TECHNICAL SUPPORT.—The Administrator shall, to the extent necessary, issue any guidance or technical support documents that would facilitate the effective use and associated benefit of Fischer-Tropsch fuel and blends.

(3) REQUIREMENTS.—The program described in paragraph (1) shall consider—

(A) the use of neat (100 percent) Fischer-Tropsch fuel and blends with conventional crude oil-derived fuel for heavy-duty and light-duty diesel engines and the aviation sector; and

(B) the production costs associated with domestic production of those ultra clean fuel and prices for consumers.

(4) REPORTS.—The Administrator shall submit to the Committee on Environment and Public Works and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives—

(A) not later than 1 year, an interim report on actions taken to carry out this subsection; and

(B) not later than 2 years, a final report on actions taken to carry out this subsection.

**SEC. 132. REMOVAL OF ADDITIONAL FEE FOR NEW APPLICATIONS FOR PERMITS TO DRILL.**

The second undesignated paragraph of the matter under the heading “MANAGEMENT OF LANDS AND RESOURCES” under the heading “BUREAU OF LAND MANAGEMENT” of title I of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2098) is amended by striking “to be reduced” and all that follows through “each new application.”

**Subtitle D—Strategic Petroleum Reserve**

**SEC. 141. SUSPENSION OF PETROLEUM ACQUISITION FOR STRATEGIC PETROLEUM RESERVE.**

(a) IN GENERAL.—Except as provided in subsection (b) and notwithstanding any other provision of law, during the 180-day period beginning on the date of enactment of this Act—

(1) the Secretary of the Interior shall suspend acquisition of petroleum for the Stra-

tegic Petroleum Reserve through the royalty-in-kind program; and

(2) the Secretary of Energy shall suspend acquisition of petroleum for the Strategic Petroleum Reserve through any other acquisition method.

(b) RESUMPTION.—Effective beginning on the day after the end of the period described in subsection (a)—

(1) the Secretary of the Interior may resume acquisition of petroleum for the Strategic Petroleum Reserve through the royalty-in-kind program; and

(2) the Secretary of Energy may resume acquisition of petroleum for the Strategic Petroleum Reserve through any other acquisition method.

**Subtitle E—Restoration of State Revenue**

**SEC. 151. RESTORATION OF STATE REVENUE.**

The matter under the heading “ADMINISTRATIVE PROVISIONS” under the heading “MINERALS MANAGEMENT SERVICE” of title I of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2109) is amended by striking “Notwithstanding” and all that follows through “Treasury.”.

**TITLE II—ALTERNATIVE RESOURCES**

**Subtitle A—Renewable Fuel and Advanced Energy Technology**

**SEC. 201. DEFINITION OF RENEWABLE BIOMASS.**

Section 211(o)(1) of the Clean Air Act (42 U.S.C. 7545(o)(1)) is amended by striking subparagraph (I) and inserting the following:

“(I) RENEWABLE BIOMASS.—The term ‘renewable biomass’ means—

“(i) nonmerchantable materials or precommercial thinnings that—

“(II) are byproducts of preventive treatments, such as trees, wood, brush, thinnings, chips, and slash, that are removed—

“(aa) to reduce hazardous fuels;

“(bb) to reduce or contain disease or insect infestation; or

“(cc) to restore forest health;

“(II) would not otherwise be used for higher-value products; and

“(III) are harvested from National Forest System land or public land (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702))—

“(aa) where permitted by law; and

“(bb) in accordance with applicable land management plans and the requirements for old-growth maintenance, restoration, and management direction of paragraphs (2), (3), and (4) of subsection (e) and the requirements for large-tree retention of subsection (f) of section 102 of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512); or

“(ii) any organic matter that is available on a renewable or recurring basis from non-Federal land or from land belonging to an Indian tribe, or an Indian individual, that is held in trust by the United States or subject to a restriction against alienation imposed by the United States, including—

“(I) renewable plant material, including—

“(aa) feed grains;

“(bb) other agricultural commodities;

“(cc) other plants and trees; and

“(dd) algae; and

“(II) waste material, including—

“(aa) crop residue;

“(bb) other vegetative waste material (including wood waste and wood residues);

“(cc) animal waste and byproducts (including fats, oils, greases, and manure); and

“(dd) food waste and yard waste.”.

**SEC. 202. ADVANCED BATTERY MANUFACTURING INCENTIVE PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ADVANCED BATTERY.—The term “advanced battery” means an electrical storage device suitable for vehicle applications.

(2) ENGINEERING INTEGRATION COSTS.—The term “engineering integration costs” includes the cost of engineering tasks relating to—

(A) incorporation of qualifying components into the design of advanced batteries; and

(B) design of tooling and equipment and developing manufacturing processes and material suppliers for production facilities that produce qualifying components or advanced batteries.

(b) ADVANCED BATTERY MANUFACTURING FACILITY.—The Secretary shall provide facility funding awards under this section to advanced battery manufacturers to pay not more than 30 percent of the cost of reequipping, expanding, or establishing a manufacturing facility in the United States to produce advanced batteries.

(c) PERIOD OF AVAILABILITY.—An award under subsection (b) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2020.

(d) DIRECT LOAN PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and subject to the availability of appropriated funds, the Secretary shall carry out a program to provide a total of not more than \$25,000,000 in loans to eligible individuals and entities (as determined by the Secretary) for the costs of activities described in subsection (b).

(2) SELECTION OF ELIGIBLE PROJECTS.—The Secretary shall select eligible projects to receive loans under this subsection in cases in which, as determined by the Secretary, the award recipient—

(A) is financially viable without the receipt of additional Federal funding associated with the proposed project;

(B) will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is expended efficiently and effectively; and

(C) has met such other criteria as may be established and published by the Secretary.

(3) RATES, TERMS, AND REPAYMENT OF LOANS.—A loan provided under this subsection—

(A) shall have an interest rate that, as of the date on which the loan is made, is equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity;

(B) shall have a term equal to the lesser of—

(i) the projected life, in years, of the eligible project to be carried out using funds from the loan, as determined by the Secretary; and

(ii) 25 years;

(C) may be subject to a deferral in repayment for not more than 5 years after the date on which the eligible project carried out using funds from the loan first begins operations, as determined by the Secretary; and

(D) shall be made by the Federal Financing Bank.

(e) FEES.—The cost of administering a loan made under this section shall not exceed \$100,000.

(f) SET ASIDE FOR SMALL MANUFACTURERS.—

(1) DEFINITION OF COVERED FIRM.—In this subsection, the term “covered firm” means a firm that—

(A) employs fewer than 500 individuals; and

(B) manufactures automobiles or components of automobiles.

(2) SET ASIDE.—Of the amount of funds used to provide awards for each fiscal year under subsection (b), the Secretary shall use not less than 10 percent to provide awards to covered firms or consortia led by a covered firm.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2009 through 2013.

**SEC. 203. BIOFUELS INFRASTRUCTURE AND ADDITIVES RESEARCH AND DEVELOPMENT.**

(a) IN GENERAL.—The Assistant Administrator of the Office of Research and Development of the Environmental Protection Agency (referred to in this section as the “Assistant Administrator”), in consultation with the Secretary and the National Institute of Standards and Technology, shall carry out a program of research and development of materials to be added to biofuels to make the biofuels more compatible with infrastructure used to store and deliver petroleum-based fuels to the point of final sale.

(b) REQUIREMENTS.—In carrying out the program described in subsection (a), the Assistant Administrator shall address—

(1) materials to prevent or mitigate—

(A) corrosion of metal, plastic, rubber, cork, fiberglass, glues, or any other material used in pipes and storage tanks;

(B) dissolving of storage tank sediments;

(C) clogging of filters;

(D) contamination from water or other adulterants or pollutants;

(E) poor flow properties relating to low temperatures;

(F) oxidative and thermal instability in long-term storage and use; and

(G) microbial contamination;

(2) problems associated with electrical conductivity;

(3) alternatives to conventional methods for refurbishment and cleaning of gasoline and diesel tanks, including tank lining applications;

(4) strategies to minimize emissions from infrastructure;

(5) issues with respect to certification by a nationally recognized testing laboratory of components for fuel-dispensing devices that specifically reference compatibility with alcohol-blended fuels and other biofuels that contain greater than 15 percent alcohol;

(6) challenges for design, reforming, storage, handling, and dispensing hydrogen fuel from various feedstocks, including biomass, from neighborhood fueling stations, including codes and standards development necessary beyond that carried out under section 809 of the Energy Policy Act of 2005 (42 U.S.C. 16158);

(7) issues with respect to at which point in the fuel supply chain additives optimally should be added to fuels; and

(8) other problems, as identified by the Assistant Administrator, in consultation with the Secretary and the National Institute of Standards and Technology.

**SEC. 204. STUDY OF INCREASED CONSUMPTION OF ETHANOL-BLENDED GASOLINE WITH HIGHER LEVELS OF ETHANOL.**

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation, and after providing notice and an opportunity for public comment, shall conduct a study of the feasibility of increasing consumption in the United States of

ethanol-blended gasoline with levels of ethanol that are not less than 10 percent and not more than 40 percent.

(b) STUDY.—The study under subsection (a) shall include—

(1) a review of production and infrastructure constraints on increasing consumption of ethanol;

(2) an evaluation of the economic, market, and energy-related impacts of State and regional differences in ethanol blends;

(3) an evaluation of the economic, market, and energy-related impacts on gasoline retailers and consumers of separate and distinctly labeled fuel storage facilities and dispensers;

(4) an evaluation of the environmental impacts of mid-level ethanol blends on evaporative and exhaust emissions from on-road, off-road, and marine engines, recreational boats, vehicles, and equipment;

(5) an evaluation of the impacts of mid-level ethanol blends on the operation, durability, and performance of on-road, off-road, and marine engines, recreational boats, vehicles, and equipment;

(6) an evaluation of the safety impacts of mid-level ethanol blends on consumers that own and operate off-road and marine engines, recreational boats, vehicles, or equipment; and

(7) an evaluation of the impacts of increased use of renewable fuels derived from food crops on the price and supply of agricultural commodities in both domestic and global markets.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report describing the results of the study conducted under this section.

**SEC. 205. STUDY OF DIESEL VEHICLE ATTRIBUTES.**

(a) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, shall conduct a study to identify—

(1) the environmental and efficiency attributes of diesel-fueled vehicles as the vehicles compare to comparable gasoline fueled, E-85 fueled, and hybrid vehicles;

(2) the technical, economic, regulatory, environmental, and other obstacles to increasing the usage of diesel-fueled vehicles;

(3) the legislative, administrative, and other actions that could reduce or eliminate the obstacles identified under paragraph (2); and

(4) the costs and benefits associated with reducing or eliminating the obstacles identified under paragraph (2).

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the results of the study conducted under subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**Subtitle B—Clean Coal-Derived Fuels for Energy Security**

**SEC. 211. SHORT TITLE.**

This subtitle may be cited as the “Clean Coal-Derived Fuels for Energy Security Act of 2008”.

**SEC. 212. DEFINITIONS.**

In this subtitle:

(1) CLEAN COAL-DERIVED FUEL.—

(A) IN GENERAL.—The term “clean coal-derived fuel” means aviation fuel, motor vehicle fuel, home heating oil, or boiler fuel that is—

(i) substantially derived from the coal resources of the United States; and

(ii) refined or otherwise processed at a facility located in the United States that captures up to 100 percent of the carbon dioxide emissions that would otherwise be released at the facility.

(B) INCLUSIONS.—The term “clean coal-derived fuel” may include any other resource that is extracted, grown, produced, or recovered in the United States.

(2) COVERED FUEL.—The term “covered fuel” means—

- (A) aviation fuel;
- (B) motor vehicle fuel;
- (C) home heating oil; and
- (D) boiler fuel.

(3) SMALL REFINERY.—The term “small refinery” means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

#### SEC. 213. CLEAN COAL-DERIVED FUEL PROGRAM.

##### (a) PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the President shall promulgate regulations to ensure that covered fuel sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of clean coal-derived fuel determined in accordance with paragraph (4).

(2) PROVISIONS OF REGULATIONS.—Regardless of the date of promulgation, the regulations promulgated under paragraph (1)—

(A) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that—

(i) the requirements of this subsection are met; and

(ii) clean coal-derived fuels produced from facilities for the purpose of compliance with this subtitle result in life cycle greenhouse gas emissions that are not greater than gasoline; and

##### (B) shall not—

(i) restrict geographic areas in the contiguous United States in which clean coal-derived fuel may be used; or

(ii) impose any per-gallon obligation for the use of clean coal-derived fuel.

(3) RELATIONSHIP TO OTHER REGULATIONS.—Regulations promulgated under this paragraph shall, to the maximum extent practicable, incorporate the program structure, compliance and reporting requirements established under the final regulations promulgated to implement the renewable fuel program established by the amendment made by section 1501(a)(2) of the Energy Policy Act of 2005 (Public Law 109-58; 119 Stat. 1067).

##### (4) APPLICABLE VOLUME.—

(A) CALENDAR YEARS 2015 THROUGH 2022.—For the purpose of this subsection, the applicable volume for any of calendar years 2015 through 2022 shall be determined in accordance with the following table:

Calendar year:	Applicable volume of clean coal-derived fuel (in billions of gallons):
2015 .....	0.75
2016 .....	1.5
2017 .....	2.25
2018 .....	3.00

**Applicable volume of clean coal-derived fuel  
(in billions of gallons):**

Calendar year:	Applicable volume of clean coal-derived fuel (in billions of gallons):
2019 .....	3.75
2020 .....	4.5
2021 .....	5.25
2022 .....	6.0

(B) CALENDAR YEAR 2023 AND THEREAFTER.—Subject to subparagraph (C), for the purposes of this subsection, the applicable volume for calendar year 2023 and each calendar year thereafter shall be determined by the President, in coordination with the Secretary and the Administrator of the Environmental Protection Agency, based on a review of the implementation of the program during calendar years 2015 through 2022, including a review of—

(i) the impact of clean coal-derived fuels on the energy security of the United States;

(ii) the expected annual rate of future production of clean coal-derived fuels; and

(iii) the impact of the use of clean coal-derived fuels on other factors, including job creation, rural economic development, and the environment.

(C) MINIMUM APPLICABLE VOLUME.—For the purpose of this subsection, the applicable volume for calendar year 2023 and each calendar year thereafter shall be equal to the product obtained by multiplying—

(i) the number of gallons of covered fuel that the President estimates will be sold or introduced into commerce in the calendar year; and

(ii) the ratio that—

(I) 6,000,000,000 gallons of clean coal-derived fuel; bears to

(II) the number of gallons of covered fuel sold or introduced into commerce in calendar year 2022.

##### (b) APPLICABLE PERCENTAGES.—

(1) PROVISION OF ESTIMATE OF VOLUMES OF CERTAIN FUEL SALES.—Not later than October 31 of each of calendar years 2015 through 2021, the Administrator of the Energy Information Administration shall provide to the President an estimate, with respect to the following calendar year, of the volumes of covered fuel projected to be sold or introduced into commerce in the United States.

##### (2) DETERMINATION OF APPLICABLE PERCENTAGES.—

(A) IN GENERAL.—Not later than November 30 of each of calendar years 2015 through 2022, based on the estimate provided under paragraph (1), the President shall determine and publish in the Federal Register, with respect to the following calendar year, the clean coal-derived fuel obligation that ensures that the requirements of subsection (a) are met.

(B) REQUIRED ELEMENTS.—The clean coal-derived fuel obligation determined for a calendar year under subparagraph (A) shall—

(i) be applicable to refineries, blenders, and importers, as appropriate;

(ii) be expressed in terms of a volume percentage of covered fuel sold or introduced into commerce in the United States; and

(iii) subject to paragraph (3)(A), consist of a single applicable percentage that applies to all categories of persons specified in clause (i).

(3) ADJUSTMENTS.—In determining the applicable percentage for a calendar year, the President shall make adjustments—

(A) to prevent the imposition of redundant obligations on any person specified in paragraph (2)(B)(i); and

(B) to account for the use of clean coal-derived fuel during the previous calendar year

by small refineries that are exempt under subsection (f).

##### (c) VOLUME CONVERSION FACTORS FOR CLEAN COAL-DERIVED FUELS BASED ON ENERGY CONTENT.—

(1) IN GENERAL.—For the purpose of subsection (a), the President shall assign values to specific types of clean coal-derived fuel for the purpose of satisfying the fuel volume requirements of subsection (a)(4) in accordance with this subsection.

(2) ENERGY CONTENT RELATIVE TO DIESEL FUEL.—For clean coal-derived fuels, 1 gallon of the clean coal-derived fuel shall be considered to be the equivalent of 1 gallon of diesel fuel multiplied by the ratio that—

(A) the number of British thermal units of energy produced by the combustion of 1 gallon of the clean coal-derived fuel (as measured under conditions determined by the Secretary); bears to

(B) the number of British thermal units of energy produced by the combustion of 1 gallon of diesel fuel (as measured under conditions determined by the Secretary to be comparable to conditions described in subparagraph (A)).

##### (d) CREDIT PROGRAM.—

(1) IN GENERAL.—The President, in consultation with the Secretary and the clean coal-derived fuel requirement of this section.

(2) MARKET TRANSPARENCY.—In carrying out the credit program under this subsection, the President shall facilitate price transparency in markets for the sale and trade of credits, with due regard for the public interest, the integrity of those markets, fair competition, and the protection of consumers.

##### (e) WAIVERS.—

(1) IN GENERAL.—The President, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, may waive the requirements of subsection (a) in whole or in part on petition by 1 or more States by reducing the national quantity of clean coal-derived fuel required under subsection (a), based on a determination by the President (after public notice and opportunity for comment), that—

(A) implementation of the requirement would severely harm the economy or environment of a State, a region, or the United States; or

(B) extreme and unusual circumstances exist that prevent distribution of an adequate supply of domestically-produced clean coal-derived fuel to consumers in the United States.

(2) PETITIONS FOR WAIVERS.—The President, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, shall approve or disapprove a State petition for a waiver of the requirements of subsection (a) within 90 days after the date on which the petition is received by the President.

(3) TERMINATION OF WAIVERS.—A waiver granted under paragraph (1) shall terminate after 1 year, but may be renewed by the President after consultation with the Secretary and the Administrator of the Environmental Protection Agency.

##### (f) SMALL REFINERIES.—

##### (1) TEMPORARY EXEMPTION.—

(A) IN GENERAL.—The requirements of subsection (a) shall not apply to small refineries until calendar year 2018.

##### (B) EXTENSION OF EXEMPTION.—

(1) STUDY BY SECRETARY.—Not later than December 31, 2013, the Secretary shall submit to the President and Congress a report

describing the results of a study to determine whether compliance with the requirements of subsection (a) would impose a disproportionate economic hardship on small refineries.

(ii) EXTENSION OF EXEMPTION.—In the case of a small refinery that the Secretary determines under clause (i) would be subject to a disproportionate economic hardship if required to comply with subsection (a), the President shall extend the exemption under subparagraph (A) for the small refinery for a period of not less than 2 additional years.

(2) PETITIONS BASED ON DISPROPORTIONATE ECONOMIC HARSHSHIP.—

(A) EXTENSION OF EXEMPTION.—A small refinery may at any time petition the President for an extension of the exemption under paragraph (1) for the reason of disproportionate economic hardship.

(B) EVALUATION OF PETITIONS.—In evaluating a petition under subparagraph (A), the President, in consultation with the Secretary, shall consider the findings of the study under paragraph (1)(B) and other economic factors.

(C) DEADLINE FOR ACTION ON PETITIONS.—The President shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

(3) OPT-IN FOR SMALL REFINERIES.—A small refinery shall be subject to the requirements of subsection (a) if the small refinery notifies the President that the small refinery waives the exemption under paragraph (1).

(g) PENALTIES AND ENFORCEMENT.—

(1) CIVIL PENALTIES.—

(A) IN GENERAL.—Any person that violates a regulation promulgated under subsection (a), or that fails to furnish any information required under such a regulation, shall be liable to the United States for a civil penalty of not more than the total of—

(i) \$25,000 for each day of the violation; and

(ii) the amount of economic benefit or savings received by the person resulting from the violation, as determined by the President.

(B) COLLECTION.—Civil penalties under subparagraph (A) shall be assessed by, and collected in a civil action brought by, the Secretary or such other officer of the United States as is designated by the President.

(2) INJUNCTIVE AUTHORITY.—

(A) IN GENERAL.—The district courts of the United States shall have jurisdiction to—

(i) restrain a violation of a regulation promulgated under subsection (a);

(ii) award other appropriate relief; and

(iii) compel the furnishing of information required under the regulation.

(B) ACTIONS.—An action to restrain such violations and compel such actions shall be brought by and in the name of the United States.

(C) SUBPOENAS.—In the action, a subpoena for a witness who is required to attend a district court in any district may apply in any other district.

(h) EFFECTIVE DATE.—Except as otherwise specifically provided in this section, this section takes effect on January 1, 2016.

### **Subtitle C—Oil Shale**

#### **SEC. 221. REMOVAL OF PROHIBITION ON FINAL REGULATIONS FOR COMMERCIAL LEASING PROGRAM FOR OIL SHALE RESOURCES ON PUBLIC LAND.**

Section 433 of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2008 (Public Law 110-161; 121 Stat. 2152) is repealed.

#### **Subtitle D—Department of Defense Facilitation of Secure Domestic Fuel Development**

##### **SEC. 231. PROCUREMENT AND ACQUISITION OF ALTERNATIVE FUELS.**

Section 526 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17142) is repealed.

##### **SEC. 232. MULTIYEAR CONTRACT AUTHORITY FOR THE DEPARTMENT OF DEFENSE FOR THE PROCUREMENT OF SYNTHETIC FUELS.**

(a) MULTICYEAR CONTRACTS FOR THE PROCUREMENT OF SYNTHETIC FUELS AUTHORIZED.—

(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

##### **“§ 2410r. Multiyear contract authority: purchase of synthetic fuels**

“(a) MULTICYEAR CONTRACTS AUTHORIZED.—The head of an agency may enter into contracts for a period not to exceed 25 years for the purchase of synthetic fuels.

“(b) DEFINITIONS.—In this section:

“(1) The term ‘head of an agency’ has the meaning given that term in section 2302(1) of this title.

“(2) The term ‘synthetic fuel’ means any liquid, gas, or combination thereof that—

“(A) can be used as a substitute for petroleum or natural gas (or any derivative thereof, including chemical feedstocks); and

“(B) is produced by chemical or physical transformation of domestic sources of energy.”.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 141 of such title is amended by adding at the end the following new item:

“2410r. Multiyear contract authority: purchase of synthetic fuels.”.

(b) REGULATIONS.—Not later than 12 days after the date of the enactment of this Act, the Secretary of Defense shall prescribe regulations providing that the head of an agency may initiate a multiyear contract as authorized by section 2410r of title 10, United States Code (as added by subsection (a)), only if the head of the agency has determined in writing that—

(1) there is a reasonable expectation that throughout the contemplated contract period the head of the agency will request funding for the contract at the level required to avoid contract cancellation;

(2) the technical risks associated with the technologies for the production of synthetic fuel under the contract are not excessive; and

(3) the contract will contain appropriate pricing mechanisms to minimize risk to the Government from significant changes in market prices for energy.

(c) LIMITATION ON USE OF AUTHORITY.—No contract may be entered into under the authority in section 2410r of title 10, United States Code (as so added), until the regulations required by subsection (b) are prescribed.

**SA 4722.** Mr. VITTER (for himself and Ms. LANDRIEU) proposed an amendment to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; as follows:

At the appropriate place, insert the following:

#### **SEC. 33. MAXIMUM COVERAGE LIMITS.**

Subsection (b) of section 1306 of the National Flood Insurance Act of 1968 (42 U.S.C. 4013(b)) is amended—

(1) in paragraph (2), by striking “\$250,000” and inserting “\$335,000”; and

(2) in paragraph (3), by striking “\$100,000” and inserting “\$135,000”; and

(3) in paragraph (4)—

(A) by striking “\$500,000” each place such term appears and inserting “\$670,000”; and

(B) by inserting before “; and” the following: “; except that, in the case of any nonresidential property that is a structure containing more than one dwelling unit that is made available for occupancy by rental (notwithstanding the provisions applicable to the determination of the risk premium rate for such property), additional flood insurance in excess of such limits shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to a total amount that is equal to the product of the total number of such rental dwelling units in such property and the maximum coverage limit per dwelling unit specified in paragraph (2); except that in the case of any such multi-unit, non-residential rental property that is a pre-FIRM structure (as such term is defined in section 578(b) of the National Flood Insurance Reform Act of 1994 (42 U.S.C. 4014 note)), the risk premium rate for the first \$500,000 of coverage shall be determined in accordance with section 1307(a)(2) and the risk premium rate for any coverage in excess of such amount shall be determined in accordance with section 1307(a)(1)”.

**SA 4723.** Mr. VITTER (for himself and Ms. LANDRIEU) proposed an amendment to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes, as follows:

On page 11, line 6, strike “Any increase” and all that follows through the second period on page 11, line 11, and insert the following: “Any increase in the risk premium rate charged for flood insurance on any property that is covered by a flood insurance policy on the date of completion of the updating or remapping described in paragraph (1) that is a result of such updating or remapping shall be phased in over a 5-year period at the rate of 20 percent per year.”.

**SA 4724.** Mr. COBURN submitted an amendment intended to be proposed by him to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### **SEC. \_\_\_\_ . FEASIBILITY STUDY ON PRIVATE REINSURANCE.**

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall conduct and submit a report to Congress on—

(1) the feasibility of requiring the Director, as part of carrying out the responsibilities of the Director under the National Flood Insurance Program, to purchase private reinsurance or retrocessional coverage, in addition

to any such reinsurance coverage required under section 1335 of the National Flood Insurance Act of 1968 (42 U.S.C. 4055), to underlying primary private insurers for losses arising due to flood insurance coverage provided by such insurers;

(2) the feasibility of repealing the reinsurance requirement under such section 1335, and requiring the Director, as part of carrying out the responsibilities of the Director under the National Flood Insurance Program, to purchase private reinsurance or retrocessional coverage to underlying primary private insurers for losses arising due to flood insurance coverage provided by such insurer; and

(3) the estimated total savings to the taxpayer of taking each such action described in paragraph (1) or (2).

**SA 4725.** Mr. COBURN submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 8, line 13, strike “and”.

On page 8, line 16, strike “policy.” and insert the following: “policy; and

“(3) any prospective insured who refuses to accept any offer for mitigation assistance by the Administrator (including an offer to relocate), including an offer of mitigation assistance—

“(A) following a major disaster, as defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122); or

“(B) in connection with—

“(i) a repetitive loss property; or

“(ii) a severe repetitive loss property, as that term is defined under section 1361A.”.

**SA 4726.** Mr. COBURN submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 9, line 10, strike “under paragraph (1).” and insert the following: “under paragraph (1); and

“(3) charged premium rates at less than the estimated risk premium rates under section 1307(a)(1) and not described in section 1307(a)(4), shall be increased by 25 percent each year until the average risk premium rate for such properties is equal to the average of risk premium rates for properties described under paragraph (1).

**SA 4727.** Mrs. McCASKILL submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 50, between lines 3 and 4, insert the following:

(4) FAILURE TO COMPLY.—A property and casualty insurance company that is authorized by the Director to participate in the Write Your Own program which fails to comply with the reporting requirement under this subsection or the requirement under section 62.23(j)(1) of title 44, Code of Federal Regulations (relating to biennial audit of the flood insurance financial statements) shall be subject to a civil penalty in an amount equal to \$1,000 per day for each day that the company remains in noncompliance with either such requirement.

**SA 4728.** Mrs. McCASKILL submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title I, add the following:  
**SEC. 133. POLICY DISCLOSURES.**

(a) IN GENERAL.—Notwithstanding any other provision of law, in addition to any other disclosures that may be required, each policy under the National Flood Insurance Program shall state all conditions, exclusions, and other limitations pertaining to coverage under the subject policy, regardless of the underlying insurance product, in plain English, in boldface type, and in a font size that is twice the size of the text of the body of the policy.

(b) VIOLATIONS.—Any person that violates the requirements of this section shall be subject to a fine of \$10,000, per policy.

**SA 4729.** Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 107.

**SA 4730.** Mrs. DOLE submitted an amendment intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

On page 25, line 11, strike “; and” and insert a semicolon.

On page 25, line 14, strike the period and insert a semicolon.

On page 25, between lines 14 and 15, insert the following:

(M) a representative of a State agency that has entered into a cooperating technical partnership with the Director and has demonstrated the capability to produce flood insurance rate maps; and

(N) a representative of a local government agency that has entered into a cooperating technical partnership with the Director and has demonstrated the capability to produce flood insurance rate maps.

**SA 4731.** Mr. THUNE (for himself and Mr. JOHNSON) submitted an amendment

intended to be proposed to amendment SA 4707 proposed by Mr. DODD (for himself and Mr. SHELBY) to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

### TITLE III—MISCELLANEOUS

#### SEC. 301. BIG SIOUX RIVER AND SKUNK CREEK, SIOUX FALLS, SOUTH DAKOTA.

The project for flood control, Big Sioux River and Skunk Creek, Sioux Falls, South Dakota, authorized by section 101(a)(28) of the Water Resources Development Act of 1996 (110 Stat. 3666), is modified—

(1) to authorize the Secretary of the Army, acting through the Chief of Engineers, to construct the project at an estimated total cost of \$51,000,000, with an estimated Federal cost of \$38,250,000 and an estimated non-Federal cost of \$12,750,000;

(2) to direct the Secretary to accept advance funding from the non-Federal interest for the remaining Federal share of the project, as needed to complete the project; and

(3) to authorize the Secretary to reimburse the non-Federal interest for funds advanced by the non-Federal interest for the Federal share of the project, only if additional Federal funds are appropriated for that purpose.

**SA 4732.** Mr. PRYOR (for himself and Mrs. LINCOLN) submitted an amendment intended to be proposed by him to the bill S. 2284, to amend the National Flood Insurance Act of 1968, to restore the financial solvency of the flood insurance fund, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

#### SEC. \_\_\_\_\_. LEVEE MODERNIZATION GRANT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the terms “local government” and “State” have the meanings given such terms in section 2 of the Homeland Security Act of 2002 (6 U.S.C. 101); and

(2) the term “program” means the Levee Modernization Grant Program established under subsection (b).

(b) ESTABLISHMENT.—Not later than 12 months after the date of enactment of this Act, the Director shall establish the Levee Modernization Grant Program, under which the Director may provide technical and financial assistance to States and local governments to be used in accordance with subsection (e) to assist in the implementation of levee improvement and modernization measures that are cost-effective and are designed to protect against loss of life, limit damage and destruction of property, encourage rural economic development, and contribute to the ability of a community to prevent areas in that community from being designated as a 100-year floodplain.

(c) CRITERIA.—

(1) ALLOCATION OF FUNDS.—Not later than the date on which the Director establishes the program, the Director shall establish criteria to be used to determine the amount of financial assistance that will be made available to a State (including amounts made available to local governments located in the State) under the program.

(2) GRANT AWARDS.—In determining whether to provide technical and financial assistance to a State or local government under the program, the Director shall consider—

(A) the extent and nature of the flood risk to a State or local government;

(B) the imminence of need;

(C) the degree of commitment of the State or local government to perform ongoing levee maintenance;

(D) the extent to which the levee improvement and modernizations to be carried out using the technical and financial assistance under the program contribute to the economic development and mitigation goals and priorities established by the State;

(E) the extent to which the technical and financial assistance under the program is consistent with assistance provided under other grant programs of the Federal Emergency Management Agency or another Federal department or agency;

(F) the extent to which prioritized, cost-effective levee improvement activities that produce meaningful and definable outcomes in the State or jurisdiction of the local government are clearly identified;

(G) the opportunity to fund activities that maximize net benefits to society; and

(H) such other criteria as the Director, in consultation with States and local governments, may establish.

**(d) STATE RECOMMENDATIONS OF PROJECTS.—**

(1) IN GENERAL.—Not later than 3 months after the date that the Director establishes the program, and annually thereafter, the Governor of a State desiring to participate in the program during the following fiscal year shall submit to the Director a list of the projects that State that the Governor recommends receive technical and financial assistance (provided either directly to a local government or through the State) under the program.

**(2) SELECTION.—**

(A) IN GENERAL.—Except as provided in subparagraph (B), for each fiscal year the Director shall select projects to receive technical and financial assistance under the program from among the projects recommended under paragraph (1).

(B) EXCEPTIONS.—The Director may select a project to receive technical and financial assistance under the program that was not among the projects recommended under paragraph (1) for a fiscal year if the Director determines that—

(i) extraordinary circumstances justify the selection of the project; and

(ii) making the selection will further the purpose of the program, as described in subsection (b).

(e) USES OF TECHNICAL AND FINANCIAL ASSISTANCE.—A State or local government that receives technical and financial assistance for a project under the program may use such assistance—

(1) for an initial inspection of a levee by a private engineering firm or the Corps of Engineers;

(2) to implement such improvements as are determined necessary by an inspection described in paragraph (1) to prevent areas protected by such levee from being designated as a 100-year floodplain;

(3) to establish levee maintenance priorities and an appropriate levee modernization program; and

(4) for other purposes that further the goal of identifying or implementing levee improvement and modernization measures.

**(f) FEDERAL SHARE.—**

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the Federal share of

levee improvement and modernization activities carried out with financial assistance under the program shall be not more than 50 percent.

**(2) RURAL AND ECONOMICALLY DISADVANTAGED COMMUNITIES.—**

(A) IN GENERAL.—The Federal share of levee improvement and modernization activities carried out in a community described in subparagraph (B) with financial assistance under the program shall be not more than 65 percent.

(B) COMMUNITIES.—A community described in this subparagraph is—

(i) a rural community (as determined by the Director);

(ii) a town with a population of not more than 20,000 individuals; or

(iii) an area in which the average income is  $\frac{1}{3}$  less than the State-wide median income for the applicable State, as determined by the Secretary of Housing and Urban Development.

(3) WAIVER.—The Director may waive paragraph (1) in extreme circumstances, as determined by the Director.

(g) REPORT TO CONGRESS.—Not later than 18 months after the date of enactment of this Act, the Director, in consultation with State and local governments, shall submit to Congress a report evaluating the efforts of the Director to carry out this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Director \$400,000,000 to carry out the program.

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**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on May 7, 2008, at 10 a.m., to conduct a hearing entitled “Turmoil in the Credit Markets: Examining the Regulation of Investment Banks by the Securities and Exchange Commission.”

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

**COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, May 7, 2008, at 9:30 a.m., in room 253 of the Russell Senate Office Building.

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

**COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on Wednesday, May 7, 2008, at 2:30 p.m., in room 253 of the Russell Senate Office Building.

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

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate to conduct a business meeting on Wednesday, May 7, 2008, at 9:45 a.m., in room SD-366 of the Dirksen Senate Office Building.

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

**COMMITTEE ON FOREIGN RELATIONS**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 7, 2008, at 9:30 a.m., to hold a nomination hearing.

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

**COMMITTEE ON FOREIGN RELATIONS**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, May 7, 2008, at 2:30 p.m., to hold a hearing on international treaties.

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

**COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS**

Mr. DODD. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, May 7, 2008, at 10 a.m. to conduct a hearing entitled “Fuel Subsidies: Is There an Impact on Food Supply and Prices?”.

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

**COMMITTEE ON THE JUDICIARY**

Mr. DODD. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet during the session of the Senate, to conduct a hearing entitled “Judicial Nominations” on Wednesday, May 7, 2008, at 10 a.m., in room SD-226 of the Dirksen Senate Office Building.

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

**COMMITTEE ON VETERANS’ AFFAIRS**

Mr. DODD. Mr. President, I ask unanimous consent for the Committee on Veterans’ Affairs to be authorized to meet during the session of the Senate on Wednesday, May 7, 2008 to conduct a hearing. The Committee will meet in room 106 of the Dirksen Senate Office Building, at 9:30 a.m.

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

**SUBCOMMITTEE ON ANTITRUST, COMPETITION POLICY AND CONSUMER RIGHTS**

Mr. DODD. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary, Subcommittee on Antitrust, Competition Policy and Consumer Rights, be authorized to meet during the session of