

107TH CONGRESS
2D SESSION

S. 1926

To improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 8, 2002

Mr. KERRY (for himself and Mr. HOLLINGS) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Fuel Savings
5 and Security Act of 2002”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

Sec. 1. Short Title.

Sec. 2. Table of Contents.

Sec. 3. Average fuel economy standards for passenger automobiles and light trucks.

- Sec. 4. Fuel economy truth in testing.
 Sec. 5. Ensuring safety of passenger automobiles and light trucks.
 Sec. 6. High Occupancy Vehicle exception.
 Sec. 7. Credit trading program.
 Sec. 8. Green labels for fuel economy.
 Sec. 9. Light truck challenge.
 Sec. 10. Secretary of Transportation to certify benefits.
 Sec. 11. Department of Transportation engineering award program.
 Sec. 12. Cooperative technology agreements.

1 **SEC. 3. AVERAGE FUEL ECONOMY STANDARDS FOR PAS-**
 2 **SENGER AUTOMOBILES AND LIGHT TRUCKS.**

3 (a) INCREASED STANDARDS.—Section 32902 of title
 4 49, United States Code, is amended—

5 (1) by striking “NON-PASSENGER AUTO-
 6 MOBILES.—” in subsection (a) and inserting “PRE-
 7 SCRIPTION OF STANDARDS BY REGULATION.—”;

8 and

9 (2) by striking “(except passenger auto-
 10 mobiles)” in subsection (a) and inserting “(except
 11 passenger automobiles and light trucks)”;

12 (3) by striking subsection (b) and inserting the
 13 following:

14 “(b) STANDARDS FOR PASSENGER AUTOMOBILES
 15 AND LIGHT TRUCKS.—

16 “(1) IN GENERAL.—The Secretary of Transpor-
 17 tation, after consultation with the Administrator of
 18 the Environmental Protection Agency, shall pre-
 19 scribe average fuel economy standards for passenger
 20 automobiles and light trucks manufactured by a
 21 manufacturer in each model year beginning with

1 model year 2005 in order to achieve a combined av-
2 erage fuel economy standard for passenger auto-
3 mobiles and light trucks for model year 2013 of at
4 least 35 miles per gallon.

5 “(2) ANNUAL PROGRESS TOWARD STANDARD
6 REQUIRED.—In prescribing average fuel economy
7 standards under paragraph (1), the Secretary shall
8 prescribe appropriate annual fuel economy standard
9 increases for passenger automobiles and light trucks
10 that—

11 “(A) increase the applicable average fuel
12 economy standard ratably over the 9 model-year
13 period beginning with model year 2005 and
14 ending with model year 2013;

15 “(B) require that each manufacturer
16 achieve—

17 “(i) a fuel economy standard for pas-
18 senger automobiles manufactured by that
19 manufacturer of at least 33.2 miles per
20 gallon no later than model year 2010; and

21 “(ii) a fuel economy standard for light
22 trucks manufactured produced by that
23 manufacturer of at least 26.3 miles per
24 gallon no later than model year 2010; and

1 “(C) for any model year within that 9
2 model-year period does not result in an average
3 fuel economy standard lower than—

4 “(i) 27.5 miles per gallon for pas-
5 senger automobiles; or

6 “(ii) 20.7 miles per gallon for light
7 duty trucks.

8 “(3) DEADLINE FOR REGULATIONS.—The Sec-
9 retary shall promulgate the regulations required by
10 paragraphs (1) and (2) in final form no later than
11 18 months after the date of enactment of the Na-
12 tional Fuel Savings and Security Act of 2002.

13 “(4) DEFAULT STANDARDS.—If the Secretary
14 fails to meet the requirement of paragraph (3), the
15 average fuel economy standard for passenger auto-
16 mobiles and light trucks manufactured by a manu-
17 facturer in each model year beginning with model
18 year 2005 is the average fuel economy standard set
19 forth in the following tables:

“For model year	The average fuel economy standard for passenger automobiles is:
“2005	28 miles per gallon
“2006	28.5 miles per gallon
“2007	30 miles per gallon
“2008	31 miles per gallon
“2009	32.5 miles per gallon
“2010	34 miles per gallon
“2011	35 miles per gallon
“2012	36.5 miles per gallon
“2013 and thereafter	38.3 miles per gallon

“For model year	The average fuel economy standard for light trucks is:
“2005	21.5 miles per gallon
“2006	22.5 miles per gallon
“2007	23.5 miles per gallon
“2008	24.5 miles per gallon
“2009	26 miles per gallon
“2010	27.5 miles per gallon
“2011	29.5 miles per gallon
“2012	31 miles per gallon
“2013 and thereafter	32 miles per gallon

1 “(5) COMBINED STANDARD FOR MODEL YEARS
2 AFTER MODEL YEAR 2010.—Unless the default
3 standards under paragraph (4) are in effect, for
4 model years after model year 2010, the Secretary
5 may by rulemaking establish—

6 “(A) separate average fuel economy stand-
7 ards for passenger automobiles and light trucks
8 manufactured by a manufacturer; or

9 “(B) a combined average fuel economy
10 standard for passenger automobiles and light
11 trucks manufactured by a manufacturer.”;

12 (4) by striking “the standard” in subsection
13 (c)(1) and inserting “a standard”;

14 (5) by striking the first and last sentences of
15 subsection (c)(2); and

16 (6) by striking “(and submit the amendment to
17 Congress when required under subsection (c)(2) of
18 this section)” in subsection (g).

19 (b) DEFINITION OF LIGHT TRUCKS.—

1 (1) IN GENERAL.—Section 32901(a) of title 49,
2 United States Code, is amended by adding at the
3 end the following:

4 “(17) ‘light truck’ means an automobile that
5 the Secretary decides by regulation—

6 “(A) is manufactured primarily for trans-
7 porting not more than 10 individuals;

8 “(B) is rated at not more than 10,000
9 pounds gross vehicle weight;

10 “(C) is not a passenger automobile; and

11 “(D) does not fall within the exceptions
12 from the definition of ‘medium duty passenger
13 vehicle’ under section 8601–01 of title 40, Code
14 of Federal Regulations.”.

15 (2) DEADLINE FOR REGULATIONS.—The Sec-
16 retary of Transportation—

17 (A) shall issue proposed regulations imple-
18 menting the amendment made by paragraph (1)
19 not later than 1 year after the date of the en-
20 actment of this Act; and

21 (B) shall issue final regulations imple-
22 menting the amendment not later than 18
23 months after the date of the enactment of this
24 Act.

1 (3) EFFECTIVE DATE.—Regulations prescribed
2 under paragraph (1) shall apply beginning with
3 model year 2007.

4 (c) APPLICABILITY OF EXISTING STANDARDS.—This
5 section does not affect the application of section 32902
6 of title 49, United States Code, to passenger automobiles
7 or non-passenger automobiles manufactured before model
8 year 2005.

9 (d) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated to the Secretary of
11 Transportation to carry out the provisions of chapter 329
12 of title 49, United States Code, \$25,000,000 for each of
13 fiscal years 2003 through 2015.

14 **SEC. 4. FUEL ECONOMY TRUTH IN TESTING.**

15 (a) IN GENERAL.—Section 32907 of title 49, United
16 States Code, is amended by adding at the end the fol-
17 lowing:

18 “(c) IMPROVED TESTING PROCEDURES.—

19 “(1) IN GENERAL.—The Administrator of the
20 Environmental Protection Agency shall conduct—

21 “(A) an ongoing examination of the accu-
22 racy of fuel economy testing of passenger auto-
23 mobiles and light trucks by the Administrator
24 performed in accordance with the procedures in
25 effect as of the date of enactment of the Na-

1 tional Fuel Savings and Security Act of 2002
2 for the purpose of determining whether, and to
3 what extent, the fuel economy of passenger
4 automobiles and light trucks as tested by the
5 Administrator differs from the fuel economy
6 reasonably to be expected from those auto-
7 mobiles and trucks when driven by average
8 drivers under average driving conditions; and

9 “(B) an assessment of the extent to which
10 fuel economy changes during the life of pas-
11 senger automobiles and light trucks.

12 “(2) REPORT.—The Administrator of the Envi-
13 ronmental Protection Agency shall, within 12
14 months after the date of enactment of the National
15 Fuel Savings and Security Act of 2002 and annually
16 thereafter, submit to the Committee on Commerce,
17 Science, and Transportation of the Senate and the
18 Committee on Commerce of the House of Represent-
19 atives a report on the results of the study required
20 by paragraph (1). The report shall include—

21 “(A) a comparison between—

22 “(i) fuel economy measured, for each
23 model in the applicable model year,
24 through testing procedures in effect as of

1 the date of enactment of the National Fuel
2 Savings and Security Act of 2002; and

3 “(ii) fuel economy of such passenger
4 automobiles and light trucks during actual
5 on-road performance, as determined under
6 that paragraph;

7 “(B) a statement of the percentage dif-
8 ference, if any, between actual on-road fuel
9 economy and fuel economy measured by test
10 procedures of the Environmental Protection Ad-
11 ministration; and

12 “(C) a plan to reduce, by model year 2015,
13 the percentage difference identified under sub-
14 paragraph (B) by using uniform test methods
15 that reflect actual on-the-road fuel economy
16 consumers experience under normal driving con-
17 ditions to no greater than 5 percent.”.

18 **SEC. 5. ENSURING SAFETY OF PASSENGER AUTOMOBILES**

19 **AND LIGHT TRUCKS.**

20 (a) IN GENERAL.—The Secretary of Transportation
21 shall exercise such authority under Federal law as the Sec-
22 retary may have to ensure that—

23 (1) passenger automobiles and light trucks (as
24 those terms are defined in section 32901 of title 49,
25 United States Code) are safe;

1 (2) progress is made in improving the overall
2 safety of passenger automobiles and light trucks;
3 and

4 (3) progress is made in maximizing United
5 States employment.

6 (b) IMPROVED CRASHWORTHINESS.—Subchapter II
7 of chapter 301 of title 49, United States Code, is amended
8 by adding at the end the following:

9 **“§ 30128. Improved crashworthiness**

10 “(a) ROLLOVERS.—Within 3 years after the date of
11 enactment of the National Fuel Savings and Security Act
12 of 2002, the Secretary of Transportation, through the Na-
13 tional Highway Traffic Safety Administration, shall pre-
14 scribe a motor vehicle safety standard under this chapter
15 for rollover crashworthiness standards that includes—

16 “(1) dynamic roof crush standards;

17 “(2) improved seat structure and safety belt de-
18 sign;

19 “(3) side impact head protection airbags; and

20 “(4) roof injury protection measures.

21 “(b) SMALLER VEHICLE CRASH PROTECTION.—
22 Within 3 years after the date of enactment of the National
23 Fuel Savings and Security Act of 2002, the Secretary,
24 through the National Highway Traffic Safety Administra-
25 tion, shall prescribe a motor vehicle safety standard under

1 this chapter that will reduce the average amount of dam-
 2 age suffered by passenger automobiles (as defined in sec-
 3 tion 32901(a)(16)) in collisions with light trucks (as de-
 4 fined in section 32901(a)(17)) by 30 percent, based on
 5 collisions between vehicles of the model years to which the
 6 standard applies as compared to vehicles of model year
 7 2002.”.

8 (c) CONFORMING AMENDMENT.—The chapter anal-
 9 ysis for chapter 301 of title 49, United States Code, is
 10 amended by inserting after the item relating to section
 11 30127 the following:

“30128. Improved crashworthiness.”.

12 **SEC. 6. HIGH OCCUPANCY VEHICLE EXCEPTION.**

13 (a) IN GENERAL.—Notwithstanding section
 14 102(a)(1) of title 23, United States Code, a State may,
 15 for the purpose of promoting energy conservation, permit
 16 a vehicle with fewer than 2 occupants to operate in high
 17 occupancy vehicle lanes if it is a hybrid vehicle or is cer-
 18 tified by the Secretary of Transportation, after consulta-
 19 tion with the Administrator of the Environmental Protec-
 20 tion Agency, to be a vehicle that runs only on an alter-
 21 native fuel.

22 (b) HYBRID VEHICLE DEFINED.—In this section, the
 23 term “hybrid vehicle” means a motor vehicle—

24 (1) which—

1 (A) draws propulsion energy from onboard
2 sources of stored energy which are both—

3 (i) an internal combustion or heat en-
4 gine using combustible fuel; and

5 (ii) a rechargeable energy storage sys-
6 tem; or

7 (B) recovers kinetic energy through regen-
8 erative braking and provides at least 13 percent
9 maximum power from the electrical storage de-
10 vice;

11 (2) which, in the case of a passenger automobile
12 or light truck—

13 (A) for 2002 and later model vehicles, has
14 received a certificate of conformity under sec-
15 tion 206 of the Clean Air Act (42 U.S.C. 7525)
16 and meets or exceeds the equivalent qualifying
17 California low emission vehicle standard under
18 section 243(e)(2) of the Clean Air Act (42
19 U.S.C. 7583(e)(2)) for that make and model
20 year; and

21 (B) for 2004 and later model vehicles, has
22 received a certificate that such vehicle meets
23 the Tier II emission level established in regula-
24 tions prescribed by the Administrator of the
25 Environmental Protection Agency under section

1 202(i) of the Clean Air Act (42 U.S.C. 7521(i))
 2 for that make and model year vehicle; and
 3 (3) which is made by a manufacturer.

4 (c) ALTERNATIVE FUEL DEFINED.—In this section,
 5 the term “alternative fuel” has the meaning such term has
 6 under section 301(2) of the Energy Policy Act of 1992
 7 (42 U.S.C. 13211(2)).

8 **SEC. 7. CREDIT TRADING PROGRAM.**

9 (a) IN GENERAL.—Section 32903 of title 49, United
 10 States Code, is amended by adding at the end the fol-
 11 lowing:

12 “(g) VEHICLE CREDIT TRADING SYSTEM.—

13 “(1) IN GENERAL.—The Secretary of Transpor-
 14 tation, with technical assistance from the Adminis-
 15 trator of the Environmental Protection Agency, shall
 16 establish a system under which manufacturers with
 17 credits under this section may sell those credits to
 18 other manufacturers.

19 “(2) PURPOSES.—The purposes of the system
 20 are:

21 “(A) Reducing the adverse effects of ineffi-
 22 cient consumption of fuel by passenger auto-
 23 mobiles and light trucks.

1 “(B) Accelerating introduction of alter-
2 native technology fuel vehicles into use in the
3 United States.

4 “(C) Encouraging manufacturers to exceed
5 the average fuel economy standards established
6 by section 32902.

7 “(D) Reducing emissions of carbon dioxide
8 by passenger automobiles and light trucks.

9 “(E) Decreasing the United States’ con-
10 sumption of oil as vehicular fuel.

11 “(F) Providing manufacturers flexibility in
12 meeting the average fuel economy standards es-
13 tablished by section 32902.

14 “(G) Increasing consumer choice.

15 “(3) PROGRAM REQUIREMENTS.—The system
16 established under paragraph (1) shall—

17 “(A) use a method for establishing an ac-
18 curate baseline using units of gallons of fuel
19 consumed per 100 miles for model year 2002;

20 “(B) make only credits accrued after
21 model year 2004 eligible for transfer or sale;

22 “(C) use techniques and methods that min-
23 imize reporting costs for manufacturers;

24 “(D) be based on vehicle classifications
25 and fuel consumption ratings developed from

1 data maintained by the Environmental Protec-
2 tion Agency;

3 “(E) provide for monitoring and
4 verification of credit purchases to ensure that
5 there is no double-counting of credits;

6 “(F) require participating manufacturers
7 to report monthly sales of vehicles to the Ad-
8 ministrator of the Environmental Protection
9 Agency; and

10 “(G) make manufacturer-specific credit,
11 transfer, sale, and purchase information pub-
12 licly available through annual reports and
13 monthly posting of transactions on the Internet.

14 “(4) CREDITS MAY BE TRADED BETWEEN PAS-
15 Senger automobiles and light trucks and be-
16 tween domestic and import fleets.—The sys-
17 tem shall provide that credits earned under this
18 section—

19 “(A) with respect to passenger automobiles
20 may be applied with respect to light trucks;

21 “(B) with respect to light trucks may be
22 applied with respect to passenger automobiles;

23 “(C) with respect to passenger automobiles
24 manufactured domestically may be applied with

1 respect to passenger automobiles not manufac-
2 tured domestically; and

3 “(D) with respect to passenger automobiles
4 not manufactured domestically may be applied
5 with respect to passenger automobiles manufac-
6 tured domestically.

7 “(5) REPORT.—The Secretary and the Admin-
8 istrator shall jointly submit an annual report to the
9 Congress—

10 “(A) describing the effectiveness of the
11 credits provided by this subsection achieving the
12 purposes described in paragraph (2); and

13 “(B) setting forth a full accounting of all
14 credits, transfers, sales, and purchases for the
15 most recent model year for which data is avail-
16 able.”.

17 (b) NO CARRYBACK OF CREDITS.—Section 32903(a)
18 of title 49, United States Code, is amended—

19 (1) by striking “applied to—” and inserting
20 “applied—”;

21 (2) by inserting “for model years before model
22 year 2006, to” in paragraph (1) before “any”;

23 (3) by striking “and” after the semicolon in
24 paragraph (1);

1 (4) by striking “earned.” in paragraph (2) and
2 inserting “earned; and”;

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

4 “(3) for model years after 2001, in accordance
5 with the vehicle credit trading system established
6 under subsection (g), to any of the 3 consecutive
7 model years immediately after the model year for
8 which the credit was earned.”.

9 (d) USE OF CREDIT VALUE TO CALCULATE CIVIL
10 PENALTY.—Section 32912(b) is amended—

11 (1) by inserting “and is unable to purchase suf-
12 ficient credits under section 32903(g) to comply with
13 the standard” after “title” the first place it appears;
14 and

15 (2) by striking all after “penalty” and inserting
16 “of the greater of—

17 “(1) an amount determined by multiplying—

18 “(A) the number of credits necessary to
19 enable the manufacturer to meet that standard;
20 by

21 “(B) the weighted average open market
22 price of a credit under section 32903(g) for the
23 next preceding model year; or

24 “(2) \$5 multiplied by each .1 of a mile a gallon
25 by which the applicable average fuel economy stand-

1 ard under section 32902 exceeds the average fuel
2 economy—

3 “(A) calculated under section
4 32904(a)(1)(A) or (B) for automobiles to which
5 the standard applied manufactured by the man-
6 ufacturer during the model year;

7 “(B) multiplied by the number of those
8 automobiles; and

9 “(C) reduced by the credits available to the
10 manufacturer under section 32903 for the
11 model year.”.

12 (c) CONFORMING AMENDMENTS.—Section 32903 of
13 title 49, United States Code, is amended—

14 (1) by inserting “or light trucks” after “pas-
15 senger automobiles” each place it appears in sub-
16 section (c);

17 (2) by inserting after “manufacturer.” in sub-
18 section (d) “Credits earned with respect to pas-
19 senger automobiles may be used with respect to non-
20 passenger automobiles and light duty trucks.”; and

21 (3) by inserting after “manufacturer.” in sub-
22 section (e) “Credits earned with respect to non-pas-
23 senger automobiles or light trucks may be used with
24 respect to passenger automobiles.”.

1 **SEC. 8. GREEN LABELS FOR FUEL ECONOMY.**

2 Section 32908 of title 49, United States Code, is
3 amended—

4 (1) by striking “title.” in subsection (a)(1) and
5 inserting “title, and a light truck (as defined in sec-
6 tion 32901(17) after model year 2005; and”;

7 (2) by redesignating subparagraph (F) of sub-
8 section (b)(1) as subparagraph (H), and inserting
9 after subparagraph (E) the following:

10 “(F) a label (or a logo imprinted on a label
11 required by this paragraph) that—

12 “(i) reflects an automobile’s perform-
13 ance on the basis of criteria developed by
14 the Administrator to reflect the fuel econ-
15 omy and greenhouse gas and other emis-
16 sions consequences of operating the auto-
17 mobile over its likely useful life;

18 “(ii) permits consumers to compare
19 performance results under clause (i)
20 among all passenger automobiles and light
21 duty trucks (as defined in section 32901);
22 and

23 “(ii) is designed to encourage the
24 manufacture and sale of passenger auto-
25 mobiles and light trucks that meet or ex-

1 ceed applicable fuel economy standards
2 under section 32902.

3 “(G) a fuelstar under paragraph (5).”; and
4 (3) by adding at the end of subsection (b) the
5 following:

6 “(4) GREEN LABEL PROGRAM.—

7 “(A) MARKETING ANALYSIS.—Within 2
8 years after the date of enactment of the Na-
9 tional Fuel Savings and Security Act of 2002,
10 the Administrator shall complete a study of so-
11 cial marketing strategies with the goal of maxi-
12 mizing consumer understanding of point-of-sale
13 labels or logos described in paragraph (1)(F).

14 “(B) ELIGIBILITY.—Within 3 years after
15 that date, the Administrator shall issue require-
16 ments for the label or logo required by para-
17 graph (1)(F) to ensure that a passenger auto-
18 mobile or light truck is not eligible for the label
19 or logo unless it—

20 “(i) meets or exceeds the applicable
21 fuel economy standard; or

22 “(ii) will have the lowest greenhouse
23 gas emissions over the useful life of the ve-
24 hicle of all vehicles in the vehicle class to
25 which it belongs in that model year.

1 “(C) CRITERIA.—In developing criteria for
2 the label or logo, the Administrator shall also
3 consider, among others as appropriate, the fol-
4 lowing factors:

5 “(i) The recyclability of the auto-
6 mobile.

7 “(ii) Any other pollutants or harmful
8 byproducts related to the automobile,
9 which may include those generated during
10 manufacture of the automobile, those
11 issued during use of the automobile, or
12 those generated after the automobile
13 ceases to be operated.

14 “(5) FUELSTAR PROGRAM.—

15 “(A) IN GENERAL.—The Secretary shall
16 establish a program, to be known as the
17 ‘fuelstar’ program, under which stars shall be
18 imprinted on or attached to the label required
19 by paragraph (1).

20 “(B) GREEN STARS.—Under the program
21 a manufacturer may place green stars on the
22 label maintained on an automobile under para-
23 graph (1) as follows:

24 “(i) 1 green star for any automobile
25 that meets the average fuel economy stand-

1 ard for the model year under section
2 32902.

3 “(ii) 1 additional green star for each
4 2 miles per gallon by which the automobile
5 exceeds that standard.

6 “(C) GOLD STARS.—Under the program a
7 manufacturer may place a gold star on the label
8 maintained on an automobile under paragraph
9 (1) if—

10 “(i) in the case of a passenger auto-
11 mobile, it obtains a fuel economy of 50
12 miles per gallon or more; and

13 “(ii) in the case of a light truck, it ob-
14 tains a fuel economy of 37 miles per gallon
15 or more.”.

16 **SEC. 9. LIGHT TRUCK CHALLENGE.**

17 (a) IN GENERAL.—The Secretary of Transportation
18 shall conduct an open competition for a project to dem-
19 onstrate the feasibility of multiple fuel hybrid electric vehi-
20 cle powertrains in sport utility vehicles and light trucks.
21 The Secretary shall execute a contract with the entity de-
22 termined by the Secretary to be the winner of the competi-
23 tion under which the Secretary will provide \$10,000,000
24 to that entity in each of fiscal years 2003 and 2004 to
25 carry out the project.

1 (b) PROJECT REQUIREMENTS.—Under the contract,
2 the Secretary shall require the entity to which the contract
3 is awarded to—

4 (1) select a current model year production vehi-
5 cle;

6 (2) modify that vehicle so that it—

7 (A) meets all existing vehicle performance
8 characteristics of the sport utility vehicle or
9 light truck selected for the project;

10 (B) improves the vehicle’s fuel economy
11 rating by 50 percent or more (as measured by
12 gasoline consumption); and

13 (3) meet the requirements of paragraph (2) in
14 such a way that incorporation of the modification in
15 the manufacturer’s production process would not in-
16 crease the vehicle’s incremental production costs by
17 more than 10 percent.

18 (c) ELIGIBLE ENTRANTS.—The competition con-
19 ducted by the Secretary shall be open to any entity, or
20 consortium of nongovernmental entities, educational insti-
21 tutions, and not-for-profit organizations, that—

22 (1) has the technical capability and resources
23 needed to complete the project successfully; and

1 gram to recognize the engineering team of any manufac-
2 turer of passenger automobiles or light trucks (as such
3 terms are defined in section 32901 of title 49, United
4 States Code) whose work directly results in production
5 models of—

6 (1) the first large sport utility vehicle, van, or
7 light truck to achieve a fuel economy rating of 30
8 miles per gallon under section 32902 of such title;

9 (2) the first mid-sized sport utility vehicle, van,
10 or light truck to achieve a fuel economy rating of 35
11 miles per gallon under section 32902 of such title;
12 and

13 (3) the first mid-sized sport utility vehicle, van,
14 or light truck to achieve a fuel economy rating of 40
15 miles per gallon under section 32902 of such title.

16 (b) MANUFACTURER'S AWARD.—The Secretary of
17 Transportation shall establish an Oil Independence Award
18 to recognize the first manufacturer of domestically-manu-
19 factured (within the meaning of section 32903 of title 49,
20 United States Code) passenger automobiles and light
21 trucks to achieve a combined fuel economy rating of 37
22 miles per gallon under section 32902 of such title.

23 (c) REQUIREMENTS FOR PARTICIPATION IN ENGI-
24 NEERING TEAM AWARDS PROGRAM.—In establishing the
25 engineering team awards program under subsection (a),

1 the Secretary shall establish eligibility requirements that
2 include—

3 (1) a requirement that the vehicle, van, or truck
4 be domestically-manufactured or manufacturable (if
5 a prototype) within the meaning of section 32903 of
6 title 49, United States Code;

7 (2) a requirement that the vehicle, van, or truck
8 meet all applicable Federal standards for emissions
9 and safety (except that crash testing shall not be re-
10 quired for a prototype); and

11 (3) such additional requirements as the Sec-
12 retary may require in order to carry out the pro-
13 gram.

14 (d) AMOUNT OF PRIZE.—The Secretary shall award
15 a prize of not less than \$10,000 to each engineering team
16 determined by the Secretary to have successfully met the
17 requirements of subsection (a)(1), (2), or (3). The Sec-
18 retary shall provide for recognition of any manufacturer
19 to have met the requirements of subsection (b) with appro-
20 priate ceremonies and activities, and may provide a mone-
21 tary award in an amount determined by the Secretary to
22 be appropriate.

23 (e) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to the Secretary of

1 Transportation such sums as may be necessary to carry
2 out this section.

3 **SEC. 12. COOPERATIVE TECHNOLOGY AGREEMENTS.**

4 (a) IN GENERAL.—The Secretary of Transportation,
5 in cooperation with the Administrator of the Environ-
6 mental Protection Agency, may execute a cooperative re-
7 search and development agreement with any manufacturer
8 of passenger automobiles or light trucks (as those terms
9 are defined in section 32901 of title 49, United States
10 Code) to implement, utilize, and incorporate in production
11 government-developed or jointly-developed fuel economy
12 technology that will result in improvements in the average
13 fuel economy of any class of vehicles produced by that
14 manufacturer of at least 55 percent greater than the aver-
15 age fuel economy of that class of vehicles for model year
16 2000.

17 (b) Authorization of Appropriations.—There are au-
18 thorized to be appropriated to the Secretary of Transpor-
19 tation and the Administrator of the Environmental Pro-
20 tection Agency such sums as may be necessary to carry
21 out this section.

○