

113TH CONGRESS  
2D SESSION

# S. 2065

To create incentives for the development of alternative fuel vehicles.

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2014

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

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## A BILL

To create incentives for the development of alternative fuel vehicles.

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 “Alternative Fuel Vehi-  
5 cle Development Act”.

6 **SEC. 2. ALTERNATIVE FUEL VEHICLES.**

7 (a) MAXIMUM FUEL ECONOMY INCREASE FOR AL-  
8 TERNATIVE FUEL AUTOMOBILES.—Section 32906(a) of  
9 title 49, United States Code, is amended by striking “(ex-  
10 cept an electric automobile)” and inserting “(except an

1 electric automobile or, beginning with model year 2016,  
2 an alternative fueled automobile that does not use a fuel  
3 described in subparagraph (A), (B), (C), or (D) of section  
4 32901(a)(1))”.

5 (b) MINIMUM DRIVING RANGES FOR DUAL FUELED  
6 PASSENGER AUTOMOBILES.—Section 32901(c)(2) of title  
7 49, United States Code, is amended—

8 (1) in subparagraph (B), by inserting “, except  
9 that beginning with model year 2016, alternative  
10 fueled automobiles that do not use a fuel described  
11 in subparagraph (A), (B), (C), or (D) of subsection  
12 (a)(1) shall have a minimum driving range of 150  
13 miles” after “at least 200 miles”; and

14 (2) in subparagraph (C), by adding at the end  
15 the following: “Beginning with model year 2016, if  
16 the Secretary prescribes a minimum driving range of  
17 150 miles for alternative fueled automobiles that do  
18 not use a fuel described in subparagraph (A), (B),  
19 (C), or (D) of subsection (a)(1), subparagraph (A)  
20 shall not apply to dual fueled automobiles (except  
21 electric automobiles).”.

22 (c) MANUFACTURING PROVISION FOR ALTERNATIVE  
23 FUEL AUTOMOBILES.—Section 32905(d) of title 49,  
24 United States Code, is amended—

1           (1) by redesignating paragraphs (1) and (2) as  
2 subparagraphs (A) and (B), respectively;

3           (2) by striking “For any model” and inserting  
4 the following:

5           “(1) MODEL YEARS 1993 THROUGH 2015.—For  
6 any model”;

7           (3) in paragraph (1), as redesignated, by strik-  
8 ing “2019” and inserting “2015”; and

9           (4) by adding at the end the following:

10           “(2) MODEL YEARS AFTER 2015.—For any  
11 model of gaseous fuel dual fueled automobile manu-  
12 factured by a manufacturer after model year 2015,  
13 the Administrator shall calculate fuel economy as a  
14 weighted harmonic average of the fuel economy on  
15 gaseous fuel as measured under subsection (c) and  
16 the fuel economy on gasoline or diesel fuel as meas-  
17 ured under section 32904(c). The Administrator  
18 shall apply the utility factors set forth in the table  
19 under section 600.510–12(c)(2)(vii)(A) of title 40,  
20 Code of Federal Regulations.

21           “(3) MODEL YEARS AFTER 2016.—Beginning  
22 with model year 2017, the manufacturer may elect  
23 to utilize the utility factors set forth under sub-  
24 section (e)(1) for the purposes of calculating fuel  
25 economy under paragraph (2).”.

1 (d) ELECTRIC DUAL FUELED AUTOMOBILES.—Sec-  
2 tion 32905 of title 49, United States Code, is amended—

3 (1) by redesignating subsections (e) and (f) as  
4 subsections (f) and (g), respectively; and

5 (2) by inserting after subsection (d) the fol-  
6 lowing:

7 “(e) ELECTRIC DUAL FUELED AUTOMOBILES.—

8 “(1) IN GENERAL.—At the request of the man-  
9 ufacturer, the Administrator may measure the fuel  
10 economy for any model of dual fueled automobile  
11 manufactured after model year 2015 that is capable  
12 of operating on electricity in addition to gasoline or  
13 diesel fuel, obtains its electricity from a source exter-  
14 nal to the vehicle, and meets the minimum driving  
15 range requirements established by the Secretary for  
16 dual fueled electric automobiles, by dividing 1.0 by  
17 the sum of—

18 “(A) the percentage utilization of the  
19 model on gasoline or diesel fuel, as determined  
20 by a formula based on the model’s alternative  
21 fuel range, divided by the fuel economy meas-  
22 ured under section 32904(c); and

23 “(B) the percentage utilization of the  
24 model on electricity, as determined by a formula  
25 based on the model’s alternative fuel range, di-

1           vided by the fuel economy measured under sec-  
2           tion 32904(a)(2).

3           “(2) ALTERNATIVE UTILIZATION.—The Admin-  
4           istrator may adapt the utility factor established  
5           under paragraph (1) for alternative fueled auto-  
6           mobiles that do not use a fuel described in subpara-  
7           graph (A), (B), (C), or (D) of section 32901(a)(1).

8           “(3) ALTERNATIVE CALCULATION.—If the man-  
9           ufacturer does not request that the Administrator  
10          calculate the manufacturing incentive for its electric  
11          dual fueled automobiles in accordance with para-  
12          graph (1), the Administrator shall calculate such in-  
13          centive for such automobiles manufactured by such  
14          manufacturer after model year 2015 in accordance  
15          with subsection (b).”.

16          (e) CONFORMING AMENDMENT.—Section 32906(b)  
17          of title 49, United States Code, is amended by striking  
18          “section 32905(e)” and inserting “section 32905(f)”.

19          **SEC. 3. HIGH OCCUPANCY VEHICLE FACILITIES.**

20          Section 166 of title 23, United States Code, is  
21          amended—

22                  (1) in subparagraph (b)(5), by striking sub-  
23          paragraph (A) and inserting the following:

24                          “(A) INHERENTLY LOW-EMISSION VEHI-  
25          CLES.—If a State agency establishes procedures

1 for enforcing the restrictions on the use of a  
 2 HOV facility by vehicles listed in clauses (i) and  
 3 (ii), the State agency may allow the use of the  
 4 HOV facility by—

5 “(i) alternative fuel vehicles; and  
 6 “(ii) new qualified plug-in electric  
 7 drive motor vehicles (as defined in section  
 8 30D(d)(1) of the Internal Revenue Code of  
 9 1986).”; and

10 (2) in subparagraph (f)(1), by inserting “sole-  
 11 ly” before “operating”.

12 **SEC. 4. STUDY.**

13 Not later than 180 days after the date of the enact-  
 14 ment of this Act, the Secretary of Energy, after consulta-  
 15 tion with the Secretary of Transportation, shall submit a  
 16 report to Congress that—

17 (1) describes options to incentivize the develop-  
 18 ment of public compressed natural gas fueling sta-  
 19 tions; and

20 (2) analyzes a variety of possible financing  
 21 tools, which could include—

22 (A) Federal grants and credit assistance;  
 23 (B) public-private partnerships; and  
 24 (C) membership-based cooperatives.