

## TEXT OF AMENDMENTS

**SA 1570.** Mr. DORGAN (for himself and Mr. CAMPBELL) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes, namely:

## TITLE I—DEPARTMENT OF THE TREASURY

DEPARTMENTAL OFFICES  
SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$3,500,000 for official travel expenses; not to exceed \$3,813,000, to remain available until expended for information technology modernization requirements; not to exceed \$150,000 for official reception and representation expenses; not to exceed \$258,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate, \$187,322,000: *Provided*, That the Office of Foreign Assets Control shall be funded at no less than \$19,732,000: *Provided further*, That of these amounts \$2,900,000 is available for grants to State and local law enforcement groups to help fight money laundering.

## DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAMS

## (INCLUDING TRANSFER OF FUNDS)

For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, \$69,028,000, to remain available until expended: *Provided*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated shall be used to support or supplement the Internal Revenue Service appropriations for Information Systems.

OFFICE OF INSPECTOR GENERAL  
SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, not to exceed \$2,000,000 for official travel expenses, including hire of passenger motor vehicles; and not to exceed \$100,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury, \$35,150,000.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION  
SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase (not to exceed 150 for replacement only for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; not to exceed \$6,000,000 for official travel expenses; and not to exceed \$500,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration, \$123,799,000.

## TREASURY BUILDING AND ANNEX REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Treasury Building and Annex, \$32,932,000, to remain available until expended.

## EXPANDED ACCESS TO FINANCIAL SERVICES (RESCISSION)

Of the funds appropriated under this heading in the Department of Transportation and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-346), \$8,000,000 are rescinded effective September 30, 2001.

FINANCIAL CRIMES ENFORCEMENT NETWORK  
SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel expenses of non-Federal law enforcement personnel to attend meetings concerned with financial intelligence activities, law enforcement, and financial regulation; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, \$45,702,000, of which not to exceed \$3,400,000 shall remain available until September 30, 2004; and of which \$7,790,000 shall remain available until September 30, 2003: *Provided*, That funds appropriated in this account may be used to procure personal services contracts.

## COUNTERTERRORISM FUND

For necessary expenses, as determined by the Secretary, \$44,879,000, to remain available until expended, to reimburse any Department of the Treasury organization for the costs of providing support to counter, investigate, or prosecute terrorism, including payment of rewards in connection with these activities: *Provided*, That any amount provided under this heading shall be available only after the advance approval of the Committees on Appropriations.

## FEDERAL LAW ENFORCEMENT TRAINING CENTER

## SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including materials and support costs of Federal law enforcement basic training; purchase (not to exceed 52 for police-type use, without regard to the general purchase price limitation) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law en-

forcement training; not to exceed \$11,500 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109, \$106,317,000, of which \$650,000 shall be available for an interagency effort to establish written standards on accreditation of Federal law enforcement training; and of which up to \$17,166,000 for materials and support costs of Federal law enforcement basic training shall remain available until September 30, 2004: *Provided*, That the Center is authorized to accept and use gifts of property, both real and personal, and to accept services, for authorized purposes, including funding of a gift of intrinsic value which shall be awarded annually by the Director of the Center to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, which shall be funded only by gifts received through the Center's gift authority: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-Center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available, at the discretion of the Director, for the following: training United States Postal Service law enforcement personnel and Postal police officers; State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation, except that reimbursement may be waived by the Secretary for law enforcement training activities in foreign countries undertaken pursuant to section 801 of the Antiterrorism and Effective Death Penalty Act of 1996, Public Law 104-32; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; and travel expenses of non-Federal personnel to attend course development meetings and training sponsored by the Center: *Provided further*, That the Center is authorized to obligate funds in anticipation of reimbursements from agencies receiving training sponsored by the Federal Law Enforcement Training Center, except that total obligations at the end of the fiscal year shall not exceed total budgetary resources available at the end of the fiscal year: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide training for the Gang Resistance Education and Training program to Federal and non-Federal personnel at any facility in partnership with the Bureau of Alcohol, Tobacco and Firearms: *Provided further*, That the Federal Law Enforcement Training Center is authorized to provide short-term medical services for students undergoing training at the Center.

## ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, \$33,434,000, to remain available until expended.

## INTERAGENCY LAW ENFORCEMENT

## INTERAGENCY CRIME AND DRUG ENFORCEMENT

For expenses necessary to conduct investigations and convict offenders involved in organized crime drug trafficking, including cooperative efforts with State and local law enforcement, as it relates to the Treasury

Department law enforcement violations such as money laundering, violent crime, and smuggling, \$106,965,000, of which \$7,827,000 shall remain available until expended.

#### FINANCIAL MANAGEMENT SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$212,316,000, of which not to exceed \$9,220,000 shall remain available until September 30, 2004, for information systems modernization initiatives; and of which not to exceed \$2,500 shall be available for official reception and representation expenses.

#### BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

##### SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed 812 vehicles for police-type use, of which 650 shall be for replacement only, and hire of passenger motor vehicles; hire of aircraft; services of expert witnesses at such rates as may be determined by the Director; for payment of per diem and/or subsistence allowances to employees where a major investigative assignment requires an employee to work 16 hours or more per day or to remain overnight at his or her post of duty; not to exceed \$20,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement, including training in connection with the training and acquisition of canines for explosives and fire accelerants detection; not to exceed \$50,000 for cooperative research and development programs for Laboratory Services and Fire Research Center activities; and provision of laboratory assistance to State and local agencies, with or without reimbursement, \$821,421,000, of which \$3,500,000 shall be available for retrofitting and upgrades of the National Tracing Center Facility in Martinsburg, West Virginia; of which not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2); of which up to \$2,000,000 shall be available for the equipping of any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency if the conveyance will be used in joint law enforcement operations with the Bureau of Alcohol, Tobacco and Firearms and for the payment of overtime salaries including Social Security and Medicare, travel, fuel, training, equipment, supplies, and other similar costs of State and local law enforcement personnel, including sworn officers and support personnel, that are incurred in joint operations with the Bureau of Alcohol, Tobacco and Firearms, and of which \$16,000,000, to remain available until expended, shall be available for disbursements through grants, cooperative agreements or contracts to local governments for Gang Resistance Education and Training; *Provided*, That no funds made available by this or any other Act may be used to transfer the functions, missions, or activities of the Bureau of Alcohol, Tobacco and Firearms to other agencies or Departments in fiscal year 2002; *Provided further*, That no funds appropriated herein shall be available for salaries or administrative expenses in connection with consolidating or centralizing, within the Department of the Treasury, the records, or any portion thereof, of acquisition and disposition of firearms maintained by Federal firearms licensees; *Provided further*, That no funds appropriated herein shall be used to pay administrative expenses or the compensation of any officer or employee of the United States to implement an amend-

ment or amendments to 27 CFR 178.118 or to change the definition of "Curios or relics" in 27 CFR 178.11 or remove any item from ATF Publication 5300.11 as it existed on January 1, 1994; *Provided further*, That none of the funds appropriated herein shall be available to investigate or act upon applications for relief from Federal firearms disabilities under 18 U.S.C. 925(c); *Provided further*, That such funds shall be available to investigate and act upon applications filed by corporations for relief from Federal firearms disabilities under 18 U.S.C. 925(c); *Provided further*, That no funds under this Act may be used to electronically retrieve information gathered pursuant to 18 U.S.C. 923(g)(4) by name or any personal identification code.

#### UNITED STATES CUSTOMS SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase and lease of up to 1,050 motor vehicles of which 550 are for replacement only and of which 1,030 are for police-type use and commercial operations; hire of motor vehicles; contracting with individuals for personal services abroad; not to exceed \$40,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service, \$2,022,453,000, of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations; not to exceed \$4,000,000 shall be available until expended for research; of which not less than \$100,000 shall be available to promote public awareness of the child pornography tipline; of which not less than \$200,000 shall be available for Project Alert; not to exceed \$5,000,000 shall be available until expended for conducting special operations pursuant to 19 U.S.C. 2081; not to exceed \$8,000,000 shall be available until expended for the procurement of automation infrastructure items, including hardware, software, and installation; and not to exceed \$5,000,000 shall be available until expended for repairs to Customs facilities; *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year; *Provided further*, That notwithstanding any other provision of law, the fiscal year aggregate overtime limitation prescribed in subsection 5(c)(1) of the Act of February 13, 1911 (19 U.S.C. 261 and 267) shall be \$30,000.

#### HARBOR MAINTENANCE FEE COLLECTION

##### (INCLUDING TRANSFER OF FUNDS)

For administrative expenses related to the collection of the Harbor Maintenance Fee, pursuant to Public Law 103-182, \$3,000,000, to be derived from the Harbor Maintenance Trust Fund and to be transferred to and merged with the Customs "Salaries and Expenses" account for such purposes.

#### OPERATION, MAINTENANCE AND PROCUREMENT, AIR AND MARINE INTERDICTION PROGRAMS

For expenses, not otherwise provided for, necessary for the operation and maintenance of marine vessels, aircraft, and other related equipment of the Air and Marine Programs, including operational training and mission-related travel, and rental payments for facilities occupied by the air or marine interdiction and demand reduction programs, the operations of which include the following:

the interdiction of narcotics and other goods; the provision of support to Customs and other Federal, State, and local agencies in the enforcement or administration of laws enforced by the Customs Service; and, at the discretion of the Commissioner of Customs, the provision of assistance to Federal, State, and local agencies in other law enforcement and emergency humanitarian efforts, \$172,637,000, which shall remain available until expended; *Provided*, That no aircraft or other related equipment, with the exception of aircraft which is one of a kind and has been identified as excess to Customs requirements and aircraft which has been damaged beyond repair, shall be transferred to any other Federal agency, department, or office outside of the Department of the Treasury, during fiscal year 2002 without the prior approval of the Committee on Appropriations.

#### AUTOMATION MODERNIZATION

For expenses not otherwise provided for Customs automated systems, \$357,832,000, to remain available until expended, of which \$5,400,000 shall be for the International Trade Data System, and not less than \$230,000,000 shall be for the development of the Automated Commercial Environment; *Provided*, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until the United States Customs Service prepares and submits to the Committee on Appropriations a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including OMB Circular A-11, part 3; (2) complies with the United States Customs Service's Enterprise Information Systems Architecture; (3) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government; (4) is reviewed and approved by the Customs Investment Review Board, the Department of the Treasury, and the Office of Management and Budget; and (5) is reviewed by the General Accounting Office; *Provided further*, That none of the funds appropriated under this heading may be obligated for the Automated Commercial Environment until that expenditure plan has been approved by the Committee on Appropriations.

#### BUREAU OF THE PUBLIC DEBT

##### ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States, \$191,718,000, of which not to exceed \$15,000 shall be available for official reception and representation expenses, and of which not to exceed \$2,000,000 shall remain available until expended for systems modernization; *Provided*, That the sum appropriated herein from the General Fund for fiscal year 2002 shall be reduced by not more than \$4,400,000 as definitive security issue fees and Treasury Direct Investor Account Maintenance fees are collected, so as to result in a final fiscal year 2002 appropriation from the General Fund estimated at \$187,318,000. In addition, \$40,000, to be derived from the Oil Spill Liability Trust Fund to reimburse the Bureau for administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380; and in addition, to be appropriated from the General Fund, such sums as may be necessary for administrative expenses in association with the South Dakota Trust Fund and the Cheyenne River Sioux Tribe Terrestrial Wildlife Restoration and Lower Brule Sioux Tribe Terrestrial Restoration Trust Fund, as authorized by sections 603(f) and 604(f) of Public Law 106-53.

## INTERNAL REVENUE SERVICE

## PROCESSING, ASSISTANCE, AND MANAGEMENT

For necessary expenses of the Internal Revenue Service for pre-filing taxpayer assistance and education, filing and account services, shared services support, general management and administration; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$3,786,347,000, of which up to \$3,950,000 shall be for the Tax Counseling for the Elderly Program, of which \$8,000,000 shall be available for low-income taxpayer clinic grants, and of which not to exceed \$25,000 shall be for official reception and representation expenses.

## TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; providing litigation support; conducting criminal investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; conducting a document matching program; resolving taxpayer problems through prompt identification, referral and settlement; compiling statistics of income and conducting compliance research; purchase for police-type use, not to exceed \$50 and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$3,535,198,000, of which not to exceed \$1,000,000 shall remain available until September 30, 2004, for research.

## EARNED INCOME TAX CREDIT COMPLIANCE INITIATIVE

For funding essential earned income tax credit compliance and error reduction initiatives pursuant to section 5702 of the Balanced Budget Act of 1997 (Public Law 105-33), \$146,000,000, of which not to exceed \$10,000,000 may be used to reimburse the Social Security Administration for the costs of implementing section 1090 of the Taxpayer Relief Act of 1997.

## INFORMATION SYSTEMS

For necessary expenses of the Internal Revenue Service for information systems and telecommunications support, including developmental information systems and operational information systems; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, \$1,563,249,000 which shall remain available until September 30, 2003.

## BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service, \$419,593,000, to remain available until September 30, 2004, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That none of these funds may be obligated until the Internal Revenue Service submits to the Committees on Appropriations, and such Committees approve, a plan for expenditure that (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget, including Circular A-11, part 34; (2) complies with the Internal Revenue Service's enterprise architecture, including the modernization blueprint; (3) conforms with the Internal Revenue Service's enterprise life cycle methodology; (4) is approved by the Internal Revenue Service, the Department of the Treasury, and the Office of Management and Budget; (5) has been

reviewed by the General Accounting Office; and (6) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government.

## ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE SERVICE

SEC. 101. Not to exceed 5 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the Committees on Appropriations.

SEC. 102. The Internal Revenue Service shall maintain a training program to ensure that Internal Revenue Service employees are trained in taxpayers' rights, in dealing courteously with the taxpayers, and in cross-cultural relations.

SEC. 103. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information.

SEC. 104. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased manpower to provide sufficient and effective 1-800 help line service for taxpayers. The Commissioner shall continue to make the improvement of the Internal Revenue Service 1-800 help line service a priority and allocate resources necessary to increase phone lines and staff to improve the Internal Revenue Service 1-800 help line service.

## UNITED STATES SECRET SERVICE

## SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase of not to exceed 745 vehicles for police-type use, of which 541 shall be for replacement only, and hire of passenger motor vehicles; purchase of American-made side-car compatible motorcycles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; for payment of per diem and/or subsistence allowances to employees where a protective assignment during the actual day or days of the visit of a protectee require an employee to work 16 hours per day or to remain overnight at his or her post of duty; the conducting of and participating in firearms matches; presentation of awards; for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act if approval is obtained in advance from the Committees on Appropriations; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$25,000 for official reception and representation expenses; not to exceed \$100,000 to provide technical assistance and equipment to foreign law enforcement organizations in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year, \$899,615,000, of which \$1,633,000 shall be available for forensic and related support of investigations of missing and exploited children, and of which \$2,554,000 shall be

available as a grant for activities related to the investigations of exploited children and shall remain available until expended: *Provided*, That up to \$18,000,000 provided for protective travel shall remain available until September 30, 2003.

## ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For necessary expenses of construction, repair, alteration, and improvement of facilities, \$3,352,000, to remain available until expended.

## GENERAL PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 110. Any obligation or expenditure by the Secretary of the Treasury in connection with law enforcement activities of a Federal agency or a Department of the Treasury law enforcement organization in accordance with 31 U.S.C. 9703(g)(4)(B) from unobligated balances remaining in the Fund on September 30, 2002, shall be made in compliance with reprogramming guidelines.

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. The funds provided to the Bureau of Alcohol, Tobacco and Firearms for fiscal year 2002 in this Act for the enforcement of the Federal Alcohol Administration Act shall be expended in a manner so as not to diminish enforcement efforts with respect to section 105 of the Federal Alcohol Administration Act.

SEC. 113. Not to exceed 2 percent of any appropriations in this Act made available to the Federal Law Enforcement Training Center, Financial Crimes Enforcement Network, Bureau of Alcohol, Tobacco and Firearms, United States Customs Service, Interagency Crime and Drug Enforcement, and United States Secret Service may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. Not to exceed 2 percent of any appropriations in this Act made available to the Departmental Offices, Office of Inspector General, Treasury Inspector General for Tax Administration, Financial Management Service, and Bureau of the Public Debt, may be transferred between such appropriations upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 115. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance approval of the Committees on Appropriations. No transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 116. Of the funds available for the purchase of law enforcement vehicles, no funds may be obligated until the Secretary of the

Treasury certifies that the purchase by the respective Treasury bureau is consistent with Departmental vehicle management principles: *Provided*, That the Secretary may delegate this authority to the Assistant Secretary for Management.

SEC. 117. The Secretary of the Treasury may transfer funds from "Salaries and Expenses", Financial Management Service, to the Debt Services Account as necessary to cover the costs of debt collection: *Provided*, That such amounts shall be reimbursed to such Salaries and Expenses account from debt collections received in the Debt Services Account.

SEC. 118. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for intelligence and intelligence-related activities of the Department of the Treasury are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2002 until enactment of the Intelligence Authorization Act for fiscal year 2002.

SEC. 119. Section 122 of Public Law 105-119, as amended by Public Law 105-277, is further amended in paragraph (g)(1), by striking "three years" and inserting "four years"; and by striking "the United States Customs Service, and the United States Secret Service".

SEC. 120. None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without the explicit approval of the House Committee on Financial Services and the Senate Committee on Banking, Housing, and Urban Affairs.

This title may be cited as the "Treasury Department Appropriations Act, 2002".

#### TITLE II—POSTAL SERVICE

##### PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsections (c) and (d) of section 2401 of title 39, United States Code, \$76,619,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That 6-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in fiscal year 2002.

This title may be cited as the "Postal Service Appropriations Act, 2002".

#### TITLE III—EXECUTIVE OFFICE OF THE PRESIDENT AND FUNDS APPROPRIATED TO THE PRESIDENT

##### COMPENSATION OF THE PRESIDENT AND THE WHITE HOUSE OFFICE

###### COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102, \$450,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31, United States Code: *Provided further*, That none of

the funds made available for official expenses shall be considered as taxable to the President.

##### SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be expended and accounted for as provided by 3 U.S.C. 103); and not to exceed \$19,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President, \$54,165,000: *Provided*, That \$10,740,000 of the funds appropriated shall be available for reimbursements to the White House Communications Agency.

##### EXECUTIVE RESIDENCE AT THE WHITE HOUSE OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurbishing, improvement, heating, and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President, \$11,914,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109, 110, and 112-114.

##### REIMBURSABLE EXPENSES

For the reimbursable expenses of the Executive Residence at the White House, such sums as may be necessary: *Provided*, That all reimbursable operating expenses of the Executive Residence shall be made in accordance with the provisions of this paragraph: *Provided further*, That, notwithstanding any other provision of law, such amount for reimbursable operating expenses shall be the exclusive authority of the Executive Residence to incur obligations and to receive offsetting collections, for such expenses: *Provided further*, That the Executive Residence shall require each person sponsoring a reimbursable political event to pay in advance an amount equal to the estimated cost of the event, and all such advance payments shall be credited to this account and remain available until expended: *Provided further*, That the Executive Residence shall require the national committee of the political party of the President to maintain on deposit \$25,000, to be separately accounted for and available for expenses relating to reimbursable political events sponsored by such committee during such fiscal year: *Provided further*, That the Executive Residence shall ensure that a written notice of any amount owed for a reimbursable operating expense under this paragraph is submitted to the person owing such amount within 60 days after such expense is incurred, and that such amount is collected within 30 days after the submission of such notice: *Provided further*, That the Executive Residence shall charge interest and assess penalties and other charges on any such amount that is not reimbursed within such 30 days, in accordance with the interest and penalty provisions applicable to an outstanding debt on a United States Government claim under section 3717 of title 31, United States Code: *Provided further*, That each such amount that is reimbursed, and any accompanying interest and charges, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That the Executive Residence shall prepare and submit to the Committees on Appropriations, by not later than 90 days after the end of the fiscal year covered by this Act, a re-

port setting forth the reimbursable operating expenses of the Executive Residence during the preceding fiscal year, including the total amount of such expenses, the amount of such total that consists of reimbursable official and ceremonial events, the amount of such total that consists of reimbursable political events, and the portion of each such amount that has been reimbursed as of the date of the report: *Provided further*, That the Executive Residence shall maintain a system for the tracking of expenses related to reimbursable events within the Executive Residence that includes a standard for the classification of any such expense as political or nonpolitical: *Provided further*, That no provision of this paragraph may be construed to exempt the Executive Residence from any other applicable requirement of subchapter I or II of chapter 37 of title 31, United States Code.

##### WHITE HOUSE REPAIR AND RESTORATION

For the repair, alteration, and improvement of the Executive Residence at the White House, \$8,625,000, to remain available until expended, of which \$1,306,000 is for six projects for required maintenance, safety and health issues, and continued preventative maintenance; and of which \$7,319,000 is for 3 projects for required maintenance and continued preventative maintenance in conjunction with the General Services Administration, the United States Secret Service, the Office of the President, and other agencies charged with the administration and care of the White House.

##### SPECIAL ASSISTANCE TO THE PRESIDENT AND THE OFFICIAL RESIDENCE OF THE VICE PRESIDENT

###### SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions; services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for as provided in that section; and hire of passenger motor vehicles, \$3,896,000.

###### OPERATING EXPENSES

###### (INCLUDING TRANSFER OF FUNDS)

For the care, operation, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President; the hire of passenger motor vehicles; and not to exceed \$90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate, \$314,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

##### COUNCIL OF ECONOMIC ADVISERS

###### SALARIES AND EXPENSES

For necessary expenses of the Council of Economic Advisers in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021), \$4,192,000.

##### OFFICE OF POLICY DEVELOPMENT

###### SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, \$4,119,000.

##### NATIONAL SECURITY COUNCIL

###### SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, \$7,447,000.

OFFICE OF ADMINISTRATION  
SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles, \$46,032,000, of which \$11,775,000 shall be available until September 30, 2003 for a capital investment plan which provides for the continued modernization of the information technology infrastructure.

OFFICE OF MANAGEMENT AND BUDGET  
SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, \$70,519,000, of which not to exceed \$5,000,000 shall be available to carry out the provisions of chapter 35 of title 44, United States Code, and of which not to exceed \$3,000 shall be available for official representation expenses: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committees on Appropriations or the Committees on Veterans' Affairs or their subcommittees: *Provided further*, That the preceding shall not apply to printed hearings released by the Committees on Appropriations or the Committees on Veterans' Affairs.

OFFICE OF NATIONAL DRUG CONTROL POLICY  
SALARIES AND EXPENSES  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (title VII of division C of Public Law 105-277); not to exceed \$8,000 for official reception and representation expenses; and for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement, \$25,096,000, of which \$2,350,000 shall remain available until expended, consisting of \$1,350,000 for policy research and evaluation, and \$1,000,000 for the National Alliance for Model State Drug Laws: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Office.

COUNTERDRUG TECHNOLOGY ASSESSMENT  
CENTER  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Counterdrug Technology Assessment Center for research activities pursuant to the Office of National Drug Control Policy Reauthorization Act of 1998 (title VII of division C of Public Law 105-277), \$42,000,000, which shall remain available until expended, consisting of \$20,000,000 for counternarcotics research and development projects, and \$22,000,000 for

the continued operation of the technology transfer program: *Provided*, That the \$20,000,000 for counter-narcotics research and development projects shall be available for transfer to other Federal departments or agencies.

FEDERAL DRUG CONTROL PROGRAMS  
HIGH INTENSITY DRUG TRAFFICKING AREAS  
PROGRAM  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program, \$226,350,000 for drug control activities consistent with the approved strategy for each of the designated High Intensity Drug Trafficking Areas (HIDTA), of which \$1,000,000 shall be for an additional amount for the Rocky Mountain HIDTA; of which \$1,500,000 shall be used for an additional amount for the Midwest HIDTA; of which \$1,000,000 shall be for an additional amount for the Gulf Coast HIDTA; of which \$1,000,000 shall be for an additional amount for the Hawaii HIDTA; of which \$500,000 shall be for an additional amount for the Milwaukee HIDTA; of which \$500,000 shall be for an additional amount for the Philadelphia/Camden HIDTA; of which \$1,000,000 shall be for an additional amount for the Northwest HIDTA; of which \$1,500,000 shall be for an additional amount for the Southwest Border HIDTA; of which no less than 51 percent shall be transferred to State and local entities for drug control activities, which shall be obligated within 120 days of the date of the enactment of this Act: *Provided*, That up to 49 percent, to remain available until September 30, 2003, may be transferred to Federal agencies and departments at a rate to be determined by the Director: *Provided further*, That, of this latter amount, not less than \$2,100,000 shall be used for auditing services and activities: *Provided further*, That HIDTAs designated as of September 30, 2001, shall be funded at no less than fiscal year 2001 levels unless the Director submits to the Committees, and the Committees approve, justification for changes in those levels based on clearly articulated priorities for the HIDTA program, as well as published ONDCP performance measures of effectiveness.

SPECIAL FORFEITURE FUND  
(INCLUDING TRANSFER OF FUNDS)

For activities to support a national anti-drug campaign for youth, and for other purposes, authorized by Public Law 105-277, \$249,400,000, to remain available until expended, of which \$185,000,000 shall be to support a national media campaign, as authorized in the Drug-Free Media Campaign Act of 1998; of which \$4,800,000 shall be made available no later than 30 days after the enactment of this Act to the United States Anti-Doping Agency for their anti-doping efforts; of which \$50,600,000 shall be to continue a program of matching grants to drug-free communities, as authorized in chapter 2 of the National Narcotics Leadership Act of 1988, as amended; of which \$1,000,000 shall be available to the National Drug Court Institute; and of which \$3,000,000 shall be for the Counterdrug Intelligence Executive Secretariat: *Provided*, That such funds may be transferred to other Federal departments and agencies to carry out such activities.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year, as authorized by 3 U.S.C. 108, \$1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 2002".

TITLE IV—INDEPENDENT AGENCIES  
COMMITTEE FOR PURCHASE FROM PEOPLE WHO  
ARE BLIND OR SEVERELY DISABLED  
SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From People Who Are Blind or Severely Disabled established by Public Law 92-28, \$4,498,000.

FEDERAL ELECTION COMMISSION  
SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended, \$43,993,000, of which no less than \$4,453,000 shall be available for internal automated data processing systems, and of which not to exceed \$5,000 shall be available for reception and representation expenses of which \$2,000,000 shall be available for administering a program to award Federal matching grants to States and localities to improve election systems and election administration and for making such grants: *Provided*, That no funds for the purpose of administering such program or for making such grants shall be made available until the date of enactment of a statute authorizing the expenditure of funds for such a purpose.

FEDERAL LABOR RELATIONS AUTHORITY  
SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, and rental of conference rooms in the District of Columbia and elsewhere, \$26,378,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109: *Provided further*, That notwithstanding 31 U.S.C. 3302, funds received from fees charged to non-Federal participants at labor-management relations conferences shall be credited to and merged with this account, to be available without further appropriation for the costs of carrying out these conferences.

GENERAL SERVICES ADMINISTRATION  
REAL PROPERTY ACTIVITIES  
FEDERAL BUILDINGS FUND  
LIMITATIONS ON AVAILABILITY OF REVENUE  
(INCLUDING TRANSFER OF FUNDS)

To carry out the purpose of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), the revenues and collections deposited into the Fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings, and moving; repair and alteration of federally owned buildings including grounds, approaches and appurtenances; care and safeguarding of sites;

maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; acquisition of options to purchase buildings and sites; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, and any other obligations for public buildings acquired by installment purchase and purchase contract; in the aggregate amount of \$6,217,350,000, of which (1) \$477,544,000 shall remain available until expended for construction (including funds for sites and expenses and associated design and construction services) of additional projects at the following locations:

New Construction:  
 Alabama:  
 Mobile, U.S. Courthouse, \$11,290,000  
 Arkansas:  
 Little Rock, U.S. Courthouse Annex, \$5,022,000  
 California:  
 Fresno, U.S. Courthouse, \$121,225,000  
 District of Columbia:  
 Washington, U.S. Courthouse Annex, \$6,595,000  
 Washington, Southeast Federal Center Site Remediation, \$5,000,000  
 Florida:  
 Ft. Pierce, Courthouse, \$4,314,000  
 Miami, Courthouse, \$15,282,000  
 Illinois:  
 Rockford, Courthouse, \$4,933,000  
 Iowa:  
 Cedar Rapids, Courthouse, \$14,795,000  
 Maine:  
 Jackman, Border Station, \$868,000  
 Maryland:  
 Montgomery County, FDA Consolidation, \$19,060,000  
 Suitland, U.S. Census Bureau, \$2,813,000  
 Suitland, National Oceanic and Atmospheric Administration II, \$34,083,000  
 Massachusetts:  
 Springfield, U.S. Courthouse, \$6,473,000  
 Mississippi:  
 Gulfport, U.S. Courthouse, \$3,000,000  
 Jackson, Mississippi, \$13,231,000  
 Michigan:  
 Detroit, Ambassador Bridge Border Station, \$9,470,000  
 Montana:  
 Raymond, Border Station, \$693,000  
 New Mexico:  
 Las Cruces, U.S. Courthouse, \$4,110,000  
 New York:  
 Brooklyn, U.S. Courthouse Annex—GPO, \$3,361,000  
 Buffalo, U.S. Courthouse Annex, \$716,000  
 New York, U.S. Mission to the United Nations, \$4,617,000  
 Oregon:  
 Eugene, U.S. Courthouse, \$4,470,000  
 Pennsylvania:  
 Erie, U.S. Courthouse Annex, \$30,739,000  
 Tennessee:  
 Nashville, Courthouse, \$20,700,000  
 Texas:  
 Del Rio III, Border Station, \$1,869,000  
 Eagle Pass, Border Station, \$2,256,000  
 El Paso, U.S. Courthouse, \$11,193,000  
 Fort Hancock, Border Station, \$2,183,000  
 Houston, Federal Bureau of Investigation, \$6,268,000  
 Utah:  
 Salt Lake City, Courthouse, \$5,000,000  
 Virginia:  
 Norfolk, U.S. Courthouse Annex, \$11,609,000  
 Nationwide:  
 Judgment Fund Repayment, \$84,406,000

Non-prospectus construction, \$5,900,000:  
*Provided*, That funding for any project identified above may be exceeded to the extent that savings are effected in other such projects, but not to exceed 10 percent of the amounts included in an approved prospectus, if required, unless advance notice is transmitted to the Committees on Appropriations of a greater amount: *Provided further*, That all funds for direct construction projects shall expire on September 30, 2003, and remain in the Federal Buildings Fund except for funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (2) \$844,880,000 shall remain available until expended for repairs and alterations which includes associated design and construction services: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project, as follows, except each project may be increased by an amount not to exceed 10 percent unless advance notice is transmitted to the Committees on Appropriations of a greater amount:  
 Repairs and Alterations:  
 Alabama:  
 Montgomery, Frank M. Johnson, Jr. Federal Building-Courthouse, \$4,000,000  
 California:  
 Laguna Niguel, Chet Holifield Federal Building, \$11,711,000  
 San Diego, Edward J. Schwartz Federal Building-U.S. Courthouse, \$13,070,000  
 Colorado:  
 Lakewood, Denver Federal Center, Building 67, \$8,484,000  
 District of Columbia:  
 Washington, 320 First Street, Federal Building, \$8,260,000  
 Washington, Internal Revenue Service Main Building, Phase 2, \$20,391,000  
 Washington, Main Interior Building, \$22,739,000  
 Washington, Main Justice Building, Phase 3, \$45,974,000  
 Florida:  
 Jacksonville, Charles E. Bennett Federal Building, \$23,552,000  
 Tallahassee, U.S. Courthouse, \$4,894,000  
 Illinois:  
 Chicago, Federal Building, 536 South Clark Street, \$60,073,000  
 Chicago, Harold Washington Social Security Center, \$13,692,000  
 Chicago, John C. Kluczynski Federal Building, \$12,725,000  
 Iowa:  
 Des Moines, 210 Walnut Street, Federal Building, \$11,992,000  
 Missouri:  
 Kansas City, Federal Building, 811 Grand Boulevard, \$1,604,000  
 St. Louis, Federal Building, 104/105 Goodfellow, \$20,212,000  
 New Jersey:  
 Newark, Peter W. Rodino Federal Building, \$5,295,000  
 Nevada:  
 Las Vegas, Foley Federal Building-U.S. Courthouse, \$26,978,000  
 Ohio:  
 Cleveland, Anthony J. Celebrezze Federal Building, \$22,986,000  
 Cleveland, Howard M. Metzenbaum Courthouse, \$27,856,000  
 Oklahoma:  
 Muskogee, Federal Building-U.S. Courthouse, \$8,214,000  
 Oregon:  
 Portland, Pioneer Courthouse, \$16,629,000  
 Pennsylvania:  
 Pittsburgh, Post Office-Courthouse, \$12,600,000

Rhode Island:  
 Providence, Federal Building and Courthouse, \$5,039,000  
 Wisconsin:  
 Milwaukee, Federal Building-U.S. Courthouse, \$10,015,000  
 Nationwide:  
 Design Program, \$33,657,000  
 Heating, Ventilation and Air Conditioning Modernization—Various Buildings, \$6,650,000  
 Transformers—Various Buildings, \$15,588,000  
 Basic Repairs and Alterations, \$370,000,000:  
*Provided further*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance notice is transmitted to the Committees on Appropriations: *Provided further*, That the amounts provided in this or any prior Act for “Repairs and Alterations” may be used to fund costs associated with implementing security improvements to buildings necessary to meet the minimum standards for security in accordance with current law and in compliance with the reprogramming guidelines of the appropriate Committees of the House and Senate: *Provided further*, That the difference between the funds appropriated and expended on any projects in this or any prior Act, under the heading “Repairs and Alterations”, may be transferred to Basic Repairs and Alterations or used to fund authorized increases in prospectus projects: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 2003, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That the amount provided in this or any prior Act for Basic Repairs and Alterations may be used to pay claims against the Government arising from any projects under the heading “Repairs and Alterations” or used to fund authorized increases in prospectus projects; (3) \$186,427,000 for installment acquisition payments including payments on purchase contracts which shall remain available until expended; (4) \$2,959,550,000 for rental of space which shall remain available until expended; and (5) \$1,748,949,000 for building operations which shall remain available until expended: *Provided further*, That funds available to the General Services Administration shall not be available for expenses of any construction, repair, alteration and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses for the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance notice is transmitted to the Committees on Appropriations: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 2002, excluding reimbursements under

section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of \$6,217,350,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

#### POLICY AND OPERATIONS

For expenses authorized by law, not otherwise provided for, for Government-wide policy and oversight activities associated with asset management activities; utilization and donation of surplus personal property; transportation; procurement and supply; Government-wide responsibilities relating to automated data management, telecommunications, information resources management, and related technology activities; utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; agency-wide policy direction; Board of Contract Appeals; accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Federal Claims; services as authorized by 5 U.S.C. 3109; and not to exceed \$7,500 for official reception and representation expenses, \$145,749,000, of which \$27,887,000 shall remain available until expended.

#### OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General and services authorized by 5 U.S.C. 3109, \$36,025,000: *Provided*, That not to exceed \$15,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed \$2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

#### ELECTRONIC GOVERNMENT (E-GOV) FUND

##### (INCLUDING TRANSFER OF FUNDS)

For necessary expenses in support of inter-agency projects that enable the Federal Government to expand its ability to conduct activities electronically, through the development and implementation of innovative uses of the Internet and other electronic methods, \$5,000,000 to remain available until expended: *Provided*, That these funds may be transferred to Federal agencies to carry out the purposes of the Fund: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That such transfers may not be made until 10 days after a proposed spending plan and justification for each project to be undertaken has been submitted to the Senate Committee on Appropriations.

#### ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

##### (INCLUDING TRANSFER OF FUNDS)

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138, \$3,376,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

#### GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

SEC. 401. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, up-

keep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 402. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 403. Funds in the Federal Buildings Fund made available for fiscal year 2002 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements: *Provided*, That any proposed transfers shall be approved in advance by the Committees on Appropriations.

SEC. 404. No funds made available by this Act shall be used to transmit a fiscal year 2003 request for United States Courthouse construction that: (1) does not meet the design guide standards for construction as established and approved by the General Services Administration, the Judicial Conference of the United States, and the Office of Management and Budget; and (2) does not reflect the priorities of the Judicial Conference of the United States as set out in its approved 5-year construction plan: *Provided*, That the fiscal year 2003 request must be accompanied by a standardized courtroom utilization study of each facility to be constructed, replaced, or expanded.

SEC. 405. None of the funds provided in this Act may be used to increase the amount of occupiable square feet, provide cleaning services, security enhancements, or any other service usually provided through the Federal Buildings Fund, to any agency that does not pay the rate per square foot assessment for space and services as determined by the General Services Administration in compliance with the Public Buildings Amendments Act of 1972 (Public Law 92-313).

SEC. 406. Funds provided to other Government agencies by the Information Technology Fund, General Services Administration, under 40 U.S.C. 757 and sections 5124(b) and 5128 of Public Law 104-106, Information Technology Management Reform Act of 1996, for performance of pilot information technology projects which have potential for Governmentwide benefits and savings, may be repaid to this Fund from any savings actually incurred by these projects or other funding, to the extent feasible.

SEC. 407. From funds made available under the heading "Federal Buildings Fund, Limitations on Availability of Revenue", claims against the Government of less than \$250,000 arising from direct construction projects and acquisition of buildings may be liquidated from savings effected in other construction projects with prior notification to the Committees on Appropriations.

SEC. 408. Section 408 of Public Law 106-554 is amended by striking "April 30, 2002" and inserting "September 30, 2002".

SEC. 409. Notwithstanding any other provision of law, the General Services Administration is directed to maintain the vehicle rental rates and per mile rates charged for buses used by schools and dormitories funded by the Bureau of Indian Affairs that were in effect on April 30, 2001 until such time as appropriations to the Bureau of Indian Affairs funding for the Student Transportation Program for schools and dormitories funded by the Bureau of Indian Affairs equals or exceeds \$3 per mile.

SEC. 410. DESIGNATION OF JUDGE BRUCE M. VAN SICKLE FEDERAL BUILDING AND UNITED STATES COURTHOUSE. (a) The Federal building and courthouse located at 100 1st Street, SW, Minot, North Dakota, shall be known and designated as the "Judge Bruce M. Van Sickle Federal Building and United States Courthouse."

(b) Any reference in law, map, regulation, document, paper, or other record of the United States to the Federal building and courthouse referred to in section (a) shall be deemed to be a reference to the Judge Bruce M. Van Sickle Federal Building and United States Courthouse.

#### MERIT SYSTEMS PROTECTION BOARD

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, \$30,375,000 together with not to exceed \$2,520,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY TRUST FUND

For payment to the Morris K. Udall Scholarship and Excellence in National Environmental Policy Trust Fund, pursuant to the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (20 U.S.C. 5601 et seq.), \$1,996,000, to remain available until expended: *Provided*, That up to 60 percent of such funds may be transferred by the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation for the necessary expenses of the Native Nations Institute: *Provided further*, That not later than 90 days after the date of the enactment of this Act, the Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation shall submit to the Committee on Appropriations a report describing the distribution of such funds.

#### ENVIRONMENTAL DISPUTE RESOLUTION FUND

For payment to the Environmental Dispute Resolution Fund to carry out activities authorized in the Environmental Policy and Conflict Resolution Act of 1998, \$1,309,000, to remain available until expended.

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

##### OPERATING EXPENSES

For necessary expenses in connection with the administration of the National Archives (including the Information Security Oversight Office) and archived Federal records and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, \$244,247,000: *Provided*, That the Archivist of the United States is authorized to use any excess funds available from the amount borrowed for construction of the National Archives facility, for expenses necessary to provide adequate storage for holdings: *Provided further*, That of the funds made available, \$22,302,000 is for the electronic records archive, \$16,337,000 of which shall be available until September 30, 2004: *Provided further*, That the Archivist of the United States is authorized, pursuant to 44 U.S.C. 2903, to construct a new Southeast Regional Archives on land to be acquired (Federal site),

by direct payment or the provision of site improvements, from the State of Georgia or Clayton County or some other governmental authority thereof; such Federal site to be located near the campus of Clayton College and State University in Clayton County, Georgia, and abut land designated for construction of the Georgia State Archives facility, with both archival facilities co-located on a combined site. There is hereby appropriated \$30,500,000 which shall be available until expended to be used for acquiring the Federal site, construction, and related services for building the new Federal archival facility, other related costs for improvement of the combined site which may also indirectly benefit the Georgia State Archives facility, and other necessary expenses.

#### REPAIRS AND RESTORATION

For the repair, alteration, and improvement of archives facilities, and to provide adequate storage for holdings, \$41,143,000, to remain available until expended.

#### NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION GRANTS PROGRAM

For necessary expenses for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, \$6,436,000, to remain available until expended.

#### OFFICE OF GOVERNMENT ETHICS SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended and the Ethics Reform Act of 1989, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed \$1,500 for official reception and representation expenses, \$10,060,000.

#### OFFICE OF PERSONNEL MANAGEMENT SALARIES AND EXPENSES (INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109; medical examinations performed for veterans by private physicians on a fee basis; rental of conference rooms in the District of Columbia and elsewhere; hire of passenger motor vehicles; not to exceed \$2,500 for official reception and representation expenses; advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order No. 10422 of January 9, 1953, as amended; and payment of per diem and/or subsistence allowances to employees where Voting Rights Act activities require an employee to remain overnight at his or her post of duty, \$99,036,000, of which \$3,200,000 shall remain available until expended for the cost of the governmentwide human resources data network project; and in addition \$115,928,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management without regard to other statutes, including direct procurement of printed materials, for the retirement and insurance programs, of which \$21,777,000 shall remain available until expended for the cost of automating the retirement recordkeeping systems: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust

funds as provided by sections 8348(a)(1)(B), 8909(g), and 9004(f)(1)(A) and (2)(A) of title 5, United States Code: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order No. 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order No. 11183 of October 3, 1964, may, during fiscal year 2002, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

#### OFFICE OF INSPECTOR GENERAL SALARIES AND EXPENSES (INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, hire of passenger motor vehicles, \$1,398,000; and in addition, not to exceed \$10,016,000 for administrative expenses to audit, investigate, and provide other oversight of the Office of Personnel Management's retirement and insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General: *Provided*, That the Inspector General is authorized to rent conference rooms in the District of Columbia and elsewhere.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, such sums as may be necessary.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, such sums as may be necessary.

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, such sums as may be necessary: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended, and the Act of August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

#### OFFICE OF SPECIAL COUNSEL SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95-454), the Whistleblower Protection Act of 1989 (Public Law 101-12), Public Law 103-424, and the Uniformed Services Employment and Reemployment Act of 1994 (Public Law 103-353), including services as authorized by 5 U.S.C. 3109, payment of fees

and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles, \$11,784,000.

#### UNITED STATES TAX COURT SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109, \$37,305,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 2002".

#### TITLE V—GENERAL PROVISIONS THIS ACT

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 503. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the Tariff Act of 1930.

SEC. 504. None of the funds made available by this Act shall be available in fiscal year 2002 for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, and Artesia, New Mexico, out of the Department of the Treasury.

SEC. 505. No part of any appropriation contained in this Act shall be available to pay the salary for any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service, and has within 90 days after his release from such service or from hospitalization continuing after discharge for a period of not more than 1 year, made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 506. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the "Buy American Act").

SEC. 507. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or products that may be authorized to be purchased with financial assistance provided under this Act, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary of the Treasury shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.



SEC. 508. If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, such person shall be ineligible to receive any contract or sub-contract made with funds provided pursuant to this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 509. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2002 from appropriations made available for salaries and expenses for fiscal year 2002 in this Act, shall remain available through September 30, 2003, for each such account for the purposes authorized: *Provided*, That a request shall be submitted to the Committees on Appropriations for approval prior to the expenditure of such funds: *Provided further*, That these requests shall be made in compliance with re-programming guidelines.

SEC. 510. None of the funds made available in this Act may be used by the Executive Office of the President to request from the Federal Bureau of Investigation any official background investigation report on any individual, except when—

(1) such individual has given his or her express written consent for such request not more than 6 months prior to the date of such request and during the same presidential administration; or

(2) such request is required due to extraordinary circumstances involving national security.

SEC. 511. The cost accounting standards promulgated under section 26 of the Office of Federal Procurement Policy Act (Public Law 93-400; 41 U.S.C. 422) shall not apply with respect to a contract under the Federal Employees Health Benefits Program established under chapter 89 of title 5, United States Code.

SEC. 512. For the purpose of resolving litigation and implementing any settlement agreements regarding the nonforeign area cost-of-living allowance program, the Office of Personnel Management may accept and utilize (without regard to any restriction on unanticipated travel expenses imposed in an Appropriations Act) funds made available to the Office pursuant to court approval.

SEC. 513. Not later than July 1, 2001, the Director of the Office of Management and Budget shall submit a report to the Committee on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Appropriations and the Committee on Government Reform of the House of Representatives that: (1) evaluates, for each agency, the extent to which implementation of chapter 35 of title 31, United States Code, as amended by the Paperwork Reduction Act of 1995 (Public Law 104-13), has reduced burden imposed by rules issued by the agency, including the burden imposed by each major rule issued by the agency; (2) includes a determination, based on such evaluation, of the need for additional procedures to ensure achievement of the purposes of that chapter, as set forth in section 3501 of title 31, United States Code, and evaluates the burden imposed by each major rule that imposes more than 10,000,000 hours of burden, and identifies specific reductions expected to be achieved in each of fiscal years 2002 and 2003 in the burden imposed by all rules issued by each agency that issued such a major rule.

SEC. 514. (a) PROHIBITION OF FEDERAL AGENCY MONITORING OF PERSONAL INFORMATION ON USE OF INTERNET.—None of the funds made available in the Treasury and General Government Appropriations Act, 2002 may be used by any Federal agency—

(1) to collect, review, or create any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any Federal government Internet site of the agency; or

(2) to enter into any agreement with a third party (including another government agency) to collect, review, or obtain any aggregate list, derived from any means, that includes the collection of any personally identifiable information relating to an individual's access to or use of any nongovernmental Internet site.

(b) EXCEPTIONS.—The limitations established in subsection (a) shall not apply to—

(1) any record of aggregate data that does not identify particular persons;

(2) any voluntary submission of personally identifiable information;

(3) any action taken for law enforcement, regulatory, or supervisory purposes, in accordance with applicable law; or

(4) any action described in subsection (a)(1) that is a system security action taken by the operator of an Internet site and is necessarily incident to the rendition of the Internet site services or to the protection of the rights or property of the provider of the Internet site.

(c) DEFINITIONS.—For the purposes of this section:

(1) The term "regulatory" means agency actions to implement, interpret or enforce authorities provided in law.

(2) The term "supervisory" means examinations of the agency's supervised institutions, including assessing safety and soundness, overall financial condition, management practices and policies and compliance with applicable standards as provided in law.

#### TITLE VI—GENERAL PROVISIONS

##### DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 602. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act for fiscal year 2002 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 603. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances, law enforcement, and undercover surveillance vehicles), is hereby fixed at \$8,100 except station wagons for which the maximum shall be \$9,100: *Provided*, That these limits may be exceeded by not to exceed \$3,700 for police-type vehicles, and by not to exceed \$4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid ve-

hicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101-549 over the cost of comparable conventionally fueled vehicles.

SEC. 604. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel, or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 605. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person: (1) is a citizen of the United States; (2) is a person in the service of the United States on the date of the enactment of this Act who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States; (3) is a person who owes allegiance to the United States; (4) is an alien from Cuba, Poland, South Vietnam, the countries of the former Soviet Union, or the Baltic countries lawfully admitted to the United States for permanent residence; (5) is a South Vietnamese, Cambodian, or Laotian refugee paroled in the United States after January 1, 1975; or (6) is a national of the People's Republic of China who qualifies for adjustment of status pursuant to the Chinese Student Protection Act of 1992: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his or her status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than \$4,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, or the Republic of the Philippines, or to nationals of those countries allied with the United States in a current defense effort, or to international broadcasters employed by the United States Information Agency, or to temporary employment of translators, or to temporary employment in the field service (not to exceed 60 days) as a result of emergencies.

SEC. 606. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (87 Stat. 216), or other applicable law.

SEC. 607. In addition to funds provided in this or any other Act, all Federal agencies are authorized to receive and use funds resulting from the sale of materials, including Federal records disposed of pursuant to a records schedule recovered through recycling or waste prevention programs. Such funds shall be available until expended for the following purposes:

(1) Acquisition, waste reduction and prevention, and recycling programs as described in Executive Order No. 13101 (September 14, 1998), including any such programs adopted prior to the effective date of the Executive order.

(2) Other Federal agency environmental management programs, including, but not limited to, the development and implementation of hazardous waste management and pollution prevention programs.

(3) Other employee programs as authorized by law or as deemed appropriate by the head of the Federal agency.

SEC. 608. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 609. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 610. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards (except Federal Executive Boards), commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 611. Funds made available by this or any other Act to the Postal Service Fund (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a and 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

SEC. 612. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly

adopted in accordance with the applicable law of the United States.

SEC. 613. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for fiscal year 2002, by this or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code—

(1) during the period from the date of expiration of the limitation imposed by section 613 of the Treasury and General Government Appropriations Act, 2001, until the normal effective date of the applicable wage survey adjustment that is to take effect in fiscal year 2002, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 613; and

(2) during the period consisting of the remainder of fiscal year 2002, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) by more than the sum of—

(A) the percentage adjustment taking effect in fiscal year 2002 under section 5303 of title 5, United States Code, in the rates of pay under the General Schedule; and

(B) the difference between the overall average percentage of the locality-based comparability payments taking effect in fiscal year 2002 under section 5304 of such title (whether by adjustment or otherwise), and the overall average percentage of such payments which was effective in fiscal year 2001 under such section.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, and no employee covered by section 5348 of such title, may be paid during the periods for which subsection (a) is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purposes of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule not in existence on September 30, 2001, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 2001, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) This section shall apply with respect to pay for service performed after September 30, 2001.

(f) For the purpose of administering any provision of law (including any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit) that requires any deduction or contribution, or that imposes any requirement or limitation on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section shall be considered to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary

to ensure the recruitment or retention of qualified employees.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of \$5,000 to furnish or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations. For the purposes of this section, the word "office" shall include the entire suite of offices assigned to the individual, as well as any other space used primarily by the individual or the use of which is directly controlled by the individual.

SEC. 615. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations, to be used for the purpose of conducting Federal law enforcement training without the advance approval of the Committees on Appropriations, except that the Federal Law Enforcement Training Center is authorized to obtain the temporary use of additional facilities by lease, contract, or other agreement for training which cannot be accommodated in existing Center facilities.

SEC. 616. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order No. 12472 (April 3, 1984).

SEC. 617. (a) None of the funds appropriated by this or any other Act may be obligated or expended by any Federal department, agency, or other instrumentality for the salaries or expenses of any employee appointed to a position of a confidential or policy-determining character excepted from the competitive service pursuant to section 3302 of title 5, United States Code, without a certification to the Office of Personnel Management from the head of the Federal department, agency, or other instrumentality employing the Schedule C appointee that the Schedule C position was not created solely or primarily in order to detail the employee to the White House.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

- (1) the Central Intelligence Agency;
- (2) the National Security Agency;
- (3) the Defense Intelligence Agency;
- (4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;
- (5) the Bureau of Intelligence and Research of the Department of State;
- (6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of Transportation, the Department of the Treasury, and the Department of Energy performing intelligence functions; and
- (7) the Director of Central Intelligence.

SEC. 618. No department, agency, or instrumentality of the United States receiving appropriated funds under this or any other Act

for fiscal year 2002 shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from discrimination and sexual harassment and that all of its workplaces are not in violation of title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, and the Rehabilitation Act of 1973.

SEC. 619. None of the funds made available in this Act for the United States Customs Service may be used to allow the importation into the United States of any good, ware, article, or merchandise mined, produced, or manufactured by forced or indentured child labor, as determined pursuant to section 307 of the Tariff Act of 1930 (19 U.S.C. 1307).

SEC. 620. No part of any appropriation contained in this or any other Act shall be available for the payment of the salary of any officer or employee of the Federal Government, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any other officer or employee of the Federal Government from having any direct oral or written communication or contact with any Member, committee, or subcommittee of the Congress in connection with any matter pertaining to the employment of such other officer or employee or pertaining to the department or agency of such other officer or employee in any way, irrespective of whether such communication or contact is at the initiative of such other officer or employee or in response to the request or inquiry of such Member, committee, or subcommittee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any other officer or employee of the Federal Government, or attempts or threatens to commit any of the foregoing actions with respect to such other officer or employee, by reason of any communication or contact of such other officer or employee with any Member, committee, or subcommittee of the Congress as described in paragraph (1).

SEC. 621. (a) None of the funds made available in this or any other Act may be obligated or expended for any employee training that—

(1) does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;

(2) contains elements likely to induce high levels of emotional response or psychological stress in some participants;

(3) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluation;

(4) contains any methods or content associated with religious or quasi-religious belief systems or “new age” belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; or

(5) is offensive to, or designed to change, participants’ personal values or lifestyle outside the workplace.

(b) Nothing in this section shall prohibit, restrict, or otherwise preclude an agency from conducting training bearing directly upon the performance of official duties.

SEC. 622. No funds appropriated in this or any other Act may be used to implement or enforce the agreements in Standard Forms 312 and 4414 of the Government or any other nondisclosure policy, form, or agreement if such policy, form, or agreement does not contain the following provisions: “These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, U.S.C. (governing disclosures to Congress); section 1034 of title 10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by said Executive order and listed statutes are incorporated into this agreement and are controlling.”; *Provided*, That notwithstanding the preceding paragraph, a nondisclosure policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that they do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

SEC. 623. No part of any funds appropriated in this or any other Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress, except in presentation to the Congress itself.

SEC. 624. None of the funds appropriated by this or any other Act may be used by an agency to provide a Federal employee’s home address to any labor organization except when the employee has authorized such disclosure or when such disclosure has been ordered by a court of competent jurisdiction.

SEC. 625. None of the funds made available in this Act or any other Act may be used to provide any non-public information such as mailing or telephone lists to any person or any organization outside of the Federal Government without the approval of the Committees on Appropriations.

SEC. 626. No part of any appropriation contained in this or any other Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 627. (a) In this section the term “agency”—

(1) means an Executive agency as defined under section 105 of title 5, United States Code;

(2) includes a military department as defined under section 102 of such title, the Postal Service, and the Postal Rate Commission; and

(3) shall not include the General Accounting Office.

(b) Unless authorized in accordance with law or regulations to use such time for other purposes, an employee of an agency shall use official time in an honest effort to perform official duties. An employee not under a leave system, including a Presidential appointee exempted under section 6301(2) of title 5, United States Code, has an obligation to expend an honest effort and a reasonable proportion of such employee’s time in the performance of official duties.

SEC. 628. (a) None of the funds appropriated by this Act may be used to enter into or renew a contract which includes a provision providing prescription drug coverage, except where the contract also includes a provision for contraceptive coverage.

(b) Nothing in this section shall apply to a contract with—

(1) any of the following religious plans:

(A) Personal Care’s HMO;

(B) OSF Health Plans, Inc.; and

(2) any existing or future plan, if the carrier for the plan objects to such coverage on the basis of religious beliefs.

(c) In implementing this section, any plan that enters into or renews a contract under this section may not subject any individual to discrimination on the basis that the individual refuses to prescribe or otherwise provide for contraceptives because such activities would be contrary to the individual’s religious beliefs or moral convictions.

(d) Nothing in this section shall be construed to require coverage of abortion or abortion-related services.

SEC. 629. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act to any department or agency, which is a member of the Joint Financial Management Improvement Program (JFMIP), shall be available to finance an appropriate share of JFMIP administrative costs, as determined by the JFMIP, but not to exceed a total of \$800,000 including the salary of the Executive Director and staff support.

SEC. 630. Notwithstanding 31 U.S.C. 1346 and section 610 of this Act, the head of each Executive department and agency is hereby authorized to transfer to the “Policy and Operations” account, General Services Administration, with the approval of the Director of the Office of Management and Budget, funds made available for fiscal year 2002 by this or any other Act, including rebates from charge card and other contracts. These funds shall be administered by the Administrator of General Services to support Government-wide financial, information technology, procurement, and other management innovations, initiatives, and activities, as approved by the Director of the Office of Management and Budget, in consultation with the appropriate interagency groups designated by the Director (including the Chief Financial Officers Council and the Joint Financial Management Improvement Program for financial management initiatives, the Chief Information Officers Council for information technology initiatives, and the Procurement Executives Council for procurement initiatives). The total funds transferred shall not exceed \$17,000,000. Such transfers may only be made 15 days following notification of the

Committees on Appropriations by the Director of the Office of Management and Budget.

SEC. 631. (a) IN GENERAL.—Hereafter, in accordance with regulations promulgated by the Office of Personnel Management, an Executive agency which provides or proposes to provide child care services for Federal employees may use appropriated funds (otherwise available to such agency for salaries and expenses) to provide child care, in a Federal or leased facility, or through contract, for civilian employees of such agency.

(b) AFFORDABILITY.—Amounts so provided with respect to any such facility or contractor shall be applied to improve the affordability of child care for lower income Federal employees using or seeking to use the child care services offered by such facility or contractor.

(c) ADVANCES.—Notwithstanding 31 U.S.C. 3324, amounts paid to licensed or regulated child care providers may be in advance of services rendered, covering agreed upon periods, as appropriate.

(d) DEFINITION.—For purposes of this section, the term “Executive agency” has the meaning given such term by section 105 of title 5, United States Code, but does not include the General Accounting Office.

(e) NOTIFICATION.—None of the funds made available in this or any other Act may be used to implement the provisions of this section absent advance notification to the Committees on Appropriations.

SEC. 632. Notwithstanding any other provision of law, a woman may breastfeed her child at any location in a Federal building or on Federal property, if the woman and her child are otherwise authorized to be present at the location.

SEC. 633. Notwithstanding section 1346 of title 31, United States Code, or section 610 of this Act, funds made available for fiscal year 2002 by this or any other Act shall be available for the interagency funding of specific projects, workshops, studies, and similar efforts to carry out the purposes of the National Science and Technology Council (authorized by Executive Order No. 12881), which benefit multiple Federal departments, agencies, or entities: *Provided*, That the Office of Management and Budget shall provide a report describing the budget of and resources connected with the National Science and Technology Council to the Committees on Appropriations, the House Committee on Science; and the Senate Committee on Commerce, Science, and Transportation 90 days after enactment of this Act.

SEC. 634. FEDERAL FUNDS IDENTIFIED. Any request for proposals, solicitation, grant application, form, notification, press release, or other publications involving the distribution of Federal funds shall indicate the agency providing the funds and the amount provided. This provision shall apply to direct payments, formula funds, and grants received by a State receiving Federal funds.

SEC. 635. Subsection (f) of section 403 of Public Law 103-356 is amended by deleting “October 1, 2001” and inserting “October 1, 2002”.

SEC. 636. Section 6 of Public Law 93-346 as amended (3 U.S.C. 111 note) is amended by inserting “, or for use at official functions in or about,” after “about”.

SEC. 637. During fiscal year 2002 and thereafter, the head of an entity named in 3 U.S.C. 112 may, with respect to civilian personnel of any branch of the Federal government performing duties in such entity, exercise authority comparable to the authority that may by law (including chapter 57 and sections 8344 and 8468 of title 5, United States

Code) be exercised with respect to the employees of an Executive agency (as defined in 5 U.S.C. 105) by the head of such Executive agency, and the authority granted by this section shall be in addition to any other authority available in law.

SEC. 638. Section 3 of Public Law 93-346 as amended (3 U.S.C. 111 note) is amended by inserting “, utilities (including electrical) for,” after “military staffing”.

SEC. 639. The Congress of the United States recognizes the United States Anti-Doping Agency (USADA) as the official anti-doping agency for Olympic, Pan American, and Paralympic sport in the United States.

SEC. 640. (a) Section 1238(e)(3) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106-398) is amended by adding at the end the following: “The executive director and any personnel who are employees of the United States-China Security Review Commission shall be employees under section 2105 of title 5, United States Code, for purposes of chapters 63, 81, 83, 84, 85, 87, 89, and 90 of that title.”

(b) The amendment made by this section shall take effect on January 3, 2001.

SEC. 641. (a) The adjustment in rates of basic pay for the statutory pay systems that takes effect in fiscal year 2002 under sections 5303 and 5304 of title 5, United States Code, shall be an increase of 4.6 percent.

(b) Funds used to carry out this section shall be paid from appropriations which are made to each applicable department or agency for salaries and expenses for fiscal year 2002.

SEC. 642. Not later than six months after the date of enactment of this Act, the Inspector General of each applicable department or agency shall submit to the Committee on Appropriations a report detailing what policies and procedures are in place for each department or agency to give first priority to the location of new offices and other facilities in rural areas, as directed by the Rural Development Act of 1972.

This Act may be cited as the “Treasury and General Government Appropriations Act, 2002”.

**SA 1571.** Mrs. FEINSTEIN (for herself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by her to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VI, add the following:  
**SEC. —. REAUTHORIZATION OF BREAST CANCER RESEARCH SPECIAL POSTAGE STAMP.**

(a) SHORT TITLE.—This section may be cited as the “Breast Cancer Research Stamp Act of 2001”.

(b) REAUTHORIZATION AND INAPPLICABILITY OF LIMITATION.—

(1) IN GENERAL.—Section 414 of title 39, United States Code, is amended by striking subsection (g) and inserting the following:

“(g) For purposes of section 416 (including any regulation prescribed under subsection (e)(1)(C) of that section), the special postage stamp issued under this section shall not apply to any limitation relating to whether more than 1 semipostal may be offered for sale at the same time.

“(h) This section shall cease to be effective after July 29, 2008.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the earlier of—

- (A) the date of enactment of this Act; or
- (B) July 29, 2002.

(c) RATE OF POSTAGE.—Section 414(b) of title 39, United States Code, is amended—

(1) in paragraph (1), by striking “of not to exceed 25 percent” and inserting “of not less than 15 percent”; and

(2) by adding after the sentence following paragraph (3) the following: “The special rate of postage of an individual stamp under this section shall be an amount that is evenly divisible by 5.”

**SA 1572.** Mr. KERRY (for himself, Mr. BOND, and Mr. DORGAN) submitted an amendment intended to be proposed by him to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table, as follows:

At the appropriate place, insert the following:

**SEC. . LOAN SUBSIDY COST ESTIMATE CORRECTION.**

By October 1, 2001, the Housing, Treasury and Finance Division shall, in consultation with the Small Business Administration, develop subsidy cost estimates for the 7(a) General Business Loan Program and the 504 Certified Development Company loan program which use data that reflect the current performance of those programs and track the actual default experience in those programs since the implementation of the Federal Credit Reform Act in 1992: *Provided*, That, notwithstanding any other provision of law, these subsidy estimates shall be effective October 1, 2001 for fiscal year 2002, and be included in the President’s fiscal year 2003 budget submission and the Office of Management and Budget shall report on the progress of the development of these estimates to the Senate Committee on Appropriations and the Senate Committee on Small Business and Entrepreneurship prior to the submission of the President’s fiscal year 2003 budget.

**SA 1573.** Mr. MCCONNELL (for himself, Mr. BURNS, Mr. HUTCHINSON, Mr. SMITH of Oregon, and Mr. STEVENS) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the end of title VI, insert the following:

SEC. . (a) From funds made available by this or any other Act, the Secretary of the Treasury may provide for the administration costs for the issuance of bonds, to be known as ‘War Bonds’, under section 3102 of title 31, United States Code, in response to the acts of terrorism perpetrated against the United States on September 11, 2001.

(b) If bonds described in subsection (a) are issued, such bonds shall be in such form and denominations, and shall be subject to such terms and conditions of issue, conversion, redemption, maturation, payment, and rate of

interest as the Secretary of the Treasury may prescribe.

**SA 1574.** Mr. DORGAN (for Mr. JOHNSON (for himself and Mr. SMITH of Oregon)) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the appropriate place, insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Unity Bonds Act of 2001".

**SEC. 2. FINDINGS.**

Congress finds that—

(1) a national tragedy occurred on September 11, 2001, whereby certain individuals tried to steal America's freedom;

(2) Americans stand together to resist all attempts to steal their freedom;

(3) united, Americans will be victorious over their enemies, whether known or unknown; and

(4) Americans must respond to this tragedy in a spirit not of revenge, but of justice.

**SEC. 3. AUTHORIZATION FOR THE ISSUANCE OF UNITY BONDS.**

Section 3102 of title 31, United States Code, is amended by adding at the end the following:

"(f) **ISSUANCE OF UNITY BONDS.**—

"(1) **IN GENERAL.**—The Secretary shall issue bonds under this section, to be known as 'Unity Bonds', in response to the acts of terrorism perpetrated against the United States on September 11, 2001.

"(2) **USE OF PROCEEDS.**—Proceeds from the issuance of Unity Bonds shall be used to raise funds to assist in recovery and relief operations following the terrorist acts referred to in paragraph (1), including humanitarian assistance, and to combat terrorism.

"(3) **FORM.**—The bonds authorized by paragraph (1) shall be in such form and denominations, and shall be subject to such terms and conditions of issue, conversion, redemption, maturation, payment, and rate of interest as the Secretary may prescribe."

**SA 1575.** Mr. DORGAN (for himself and Mr. CAMPBELL) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 57, line 16, strike "\$22,302,000" and insert "\$23,302,000".

On page 57, line 18, delete "further" and after "2004", move all of the text that follows through to "penses" on page 58, line 10 and re-insert the text after the word "expended" on page 58, line 14.

On page 57, line 16, strike "\$22,302,000" and insert "\$23,302,000".

On page 57, line 18, delete "further" and after "2004", move all of the text that follows through to "penses" on page 58, line 10 re-insert the text after the word "expended" on page 58, line 14.

On page 55, after line 14, insert the following new sections:

"SEC. 411. Section 410 of Appendix C of Public Law 106-554 (114 Stat. 2763A-146) is amended—

"by striking 'a 125 foot wide right-of-way' and inserting 'up to a 125 foot wide right-of-way'";

"by striking 'northeast corner of the existing port' and inserting 'southeast corner of the existing port'"; and

"striking 'approximately 4,750 feet' and inserting 'and then west to a connection with State Highway 11 between approximately 5000 and 7000 feet'";

"by striking 'a road to be built by the County of Luna, New Mexico to connect to'

"by striking 'Provided further, That notwithstanding any other provision of law, Luna County shall construct the roadway from State Highway 11 to the terminus of the northbound road to be constructed by the General Services Administration in time for completion of the road to be constructed by the General Services Administration in time for completion of the road to be constructed by the General Services Administration:'

"by striking consisting of approximately 12 acres and inserting consisting of approximately 10.22 acres.

"SEC. 412. Notwithstanding any other provision of law, the United States Government is directed to deed block four (4) of the LOCH HAVEN REPLAT, as recorded in Plat Book 'Q', Page 9, Public Records of Orange County, Florida, back to the City of Orlando, Florida, under the same terms that the land was deeded to the United States Government by the City of Orlando in the recorded deed from the City dated September 20, 1951."

On page 7, line 5, after "2004:", insert the following: "and of which up to 20 percent of the \$17,166,000 also shall be available for travel, room and board costs for participating agency basic training during the first quarter of a fiscal year, subject to full reimbursement by the benefitting agency:"

On page 94, between lines 14 and 15, insert the following new section:

**SEC. . DEADLINE FOR SUBMISSION OF ANNUAL REPORTS BY UNITED STATES-CHINA SECURITY REVIEW COMMISSION.**

Section 1238(c)(1) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by section 1 of Public Law 106-398) is amended by striking "March" and inserting "May".

On page 35, line 23, strike "1,500,000" and insert \$1,750,000".

At the appropriate place in the bill insert the following:

SEC. . Subsection (a) of section 2105 of title 44, United States Code, is amended to read as follows:

(a)(1) The Archivist is authorized to select, appoint, employ, and fix the compensation of such officers and employees, pursuant to part III of title 5, as are necessary to perform the functions of the Archivist and the Administration.

(2) Notwithstanding paragraph (1), the Archivist is authorized to appoint, subject to the consultation requirements set forth in paragraph (f)(2) of section 2203 of this Title, a director at each Presidential archival depository established under section 2112 of this Title. The Archivist may appoint a director without regard to subchapter I and subchapter VIII of chapter 33 of title 5, United States Code, governing appointments in the competitive service and the Senior Executive Service. A director so appointed shall be responsible for the care and preservation of the Presidential records and historical materials deposited in a Presidential archival depository, shall serve at the pleasure of the Archivist and shall perform such other functions as the Archivist may specify.

At the end of title VI, add the following:

**SEC. . REAUTHORIZATION OF BREAST CANCER RESEARCH SPECIAL POSTAGE STAMP.**

(a) **SHORT TITLE.**—This section may be cited as the "Breast Cancer Research Stamp Act of 2001".

(b) **REAUTHORIZATION AND INAPPLICABILITY OF LIMITATION.**—

(1) **IN GENERAL.**—Section 414 of title 39, United States Code, is amended by striking subsection (g) and inserting the following:

"(g) For purposes of section 416 (including any regulation prescribed under subsection (e)(1)(C) of that section), the special postage stamp issued under this section shall not apply to any limitation relating to whether more than 1 semipostal may be offered for sale at the same time.

"(h) This section shall cease to be effective after July 29, 2008."

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect on the earlier of—

- (A) the date of enactment of this Act; or
- (B) July 29, 2002.

(c) **RATE OF POSTAGE.**—Section 414(b) of title 39, United States Code, is amended—

(1) in paragraph (1), by striking "of not to exceed 25 percent" and inserting "of not less than 15 percent"; and

(2) by adding after the sentence following paragraph (3) the following: "The special rate of postage of an individual stamp under this section shall be an amount that is evenly divisible by 5."

On page 13, line 10, after "Alert," insert "not less than \$1,000,000 shall be provided to develop a curriculum for the training of law enforcement dogs to combat and respond to terrorist activities specifically related to chemical and biological threats;"

**SA 1576.** Mr. BINGAMAN (for himself and Mr. DOMENICI) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

After section 642, insert the following:

SEC. 643. (a) State, regional, or local transportation authorities that are recipients of Federal Transit Administration assistance or grants may purchase heavy-duty transit buses through the General Service Administration.

(b) The Administrator of General Services shall notify the appropriate congressional committees if the administrative costs incurred by the General Service Administration in implementing this section are in excess of fees provided to the General Service Administration under provisions of existing contracts for the purchase of heavy-duty transit buses.

**SA 1577.** Mr. DORGAN (for Mr. CAMPBELL (for himself, Mr. FEINGOLD, Mr. GRASSLEY, and Mr. HARKIN)) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the appropriate place, insert the following:

**SECTION 1. AMENDMENT TO TITLE 39.**

Section 5402(d) of title 39, United States Code, is amended by—

- (1) inserting “(1)” after “(d)”;
- (2) inserting at the end the following:

“(2)(A) In the exercise of its authority under paragraph (1), the Postal Service may require any air carrier to accept as mail shipments of day-old poultry and such other live animals as postal regulations allow to be transmitted as mail matter. The authority of the Postal Service under this subparagraph shall not apply in the case of any air carrier who commonly and regularly refuses to accept any live animals as cargo.

“(B) Notwithstanding any other provision of law, the Postal Service is authorized to assess, as postage to be paid by the mailers of any shipments covered by subparagraph (A), a reasonable surcharge that the Postal Service determines in its discretion to be adequate to compensate air carriers for any necessary additional expense incurred in handling such shipments.

“(C) The authority of the Postal Service under subparagraph (B) shall apply during the period beginning on the date of enactment of this paragraph, and ending September 30, 2005.”

**SA 1578.** Mr. DORGAN (for Mr. KOHL) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 26, after line 8 insert the following new section:

“SEC. . None of the funds appropriated or made available by this Act may be used for the production of Customs Declarations that do not inquire whether the passenger had been in the proximity of livestock.”

**SA 1579.** Mr. DORGAN (for Mr. HOLLINGS) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the appropriate place, insert the following:

Designation of G. Ross Anderson, Jr. Federal Building and United States Courthouse

(a) The Federal building and courthouse located at 315 S. McDuffie Street, Anderson, South Carolina, shall be known and designated as the “G. Ross Anderson, Jr. Federal Building and United States Courthouse.”

(b) Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building and courthouse referred to in section 1 shall be deemed to be a reference to the G. Ross Anderson, Jr. Federal Building and United States Courthouse.

**SA 1580.** Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1416, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the De-

partment of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes which was ordered to lie on the table.

At the end of the bill, add the following:

**DIVISION D—NATIONAL ENERGY SECURITY**

**SEC. 4001. ENACTMENT OF ENERGY PROVISIONS.**

The provisions of H.R. 4 of the 107th Congress, as passed by the House of Representatives on August 2, 2001, are enacted into law.

**SA 1581.** Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1416, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was ordered to lie on the table.

On page 413, between lines 13 and 14, insert the following:

**SEC. 1217. AUTHORITY TO WAIVE SANCTIONS.**

(a) **AUTHORITY.**—Notwithstanding any other provision of law, the President is authorized to waive any sanction imposed against any foreign country or government (including any agency or instrumentality thereof) or any foreign entity if the President determines that to do so would assist in efforts to combat global terrorism or is otherwise in the national security interests of the United States.

(b) **CONGRESSIONAL NOTIFICATION.**—Not less than 30 days prior to the exercise of any waiver authorized by subsection (a), the President shall notify Congress of his intention to exercise the waiver, together with an explanation of his reasons for the waiver.

(c) **SANCTION DEFINED.**—In this section, the term “sanction” means any prohibition or restriction with respect to a foreign country or government or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to—

(1) a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures; or

(2) a mandatory decision of the United Nations Security Council.

**SA 1582.** Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1416, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was ordered to lie on the table.

At the end of the bill, add the following:

**DIVISION D—NATIONAL ENERGY SECURITY**

**SEC. 4001. SHORT TITLE.**

This division may be cited as the “National Energy Security Act of 2001”.

**SEC. 4002. FINDINGS AND PURPOSES.**

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

(1) increasing dependence on foreign sources of oil causes systemic harm to all sectors of the United States economy, threatens national security, undermines the ability of Federal, State, and local units of government to provide essential services, and jeopardizes the peace, security, and welfare of the American people;

(2) dependence on imports of foreign oil was 46 percent in 1992, rose to more than 55 percent by the beginning of 2000, and is estimated by the Department of Energy to rise to 65 percent by 2020 unless current policies are altered;

(3) even with increased energy efficiency, energy use in the United States is expected to increase 27 percent by 2020;

(4) the United States lacks a comprehensive national energy policy and has taken actions that limit the availability and capability of the domestic energy sources of oil and gas, coal, nuclear and hydroelectric;

(5) a comprehensive energy strategy must be developed to combat this trend, decrease the United States dependence on imported oil supplies and strengthen our national energy security;

(6) this comprehensive strategy must decrease the United States dependence on foreign oil supplies to not more than 50 percent by the year 2011;

(7) this comprehensive energy strategy must be multi-faceted and enhance the use of renewable energy resources (including hydroelectric, solar, wind, geothermal and biomass), conserve energy resources (including improving energy efficiencies), and increase domestic supplies of conventional energy resources (including oil, natural gas, coal, and nuclear);

(8) conservation efforts and alternative fuels alone will not enable America to meet this goal as conventional energy sources supply 96 percent of America’s power at this time; and

(9) immediate actions must also be taken to mitigate the economic effects of recent increases in the price of crude oil, natural gas, and electricity and the related impacts on American consumers, including the poor and the elderly.

(b) **PURPOSES.**—The purposes of this division are to protect the energy security of the United States by decreasing America’s dependence on foreign oil sources to not more than 50 percent by 2010, by enhancing the use of renewable energy resources, conserving energy resources (including improving energy efficiencies), and increasing domestic energy supplies, improving environmental quality by reducing emissions of air pollutants and greenhouse gases, and mitigating the immediate effect of increases in energy prices on the American consumer, including the poor and the elderly.

**TITLE I—GENERAL PROVISIONS TO PROTECT ENERGY SUPPLY AND SECURITY**

**SEC. 4101. CONSULTATION AND REPORT ON FEDERAL AGENCY ACTIONS AFFECTING DOMESTIC ENERGY SUPPLY.**

Prior to taking or initiating any action that could have a significant adverse effect on the availability or supply of domestic energy resources or on the domestic capability to distribute or transport such resources, the head of a Federal agency proposing or participating in such action shall notify the Secretary of Energy in writing of the nature and scope of the action, the need for such action, the potential effect of such action on energy resource supplies, price, distribution, and transportation, and any alternatives to such action or options to mitigate the effects and shall provide the Secretary of Energy

with adequate time to review the proposed action and make recommendations to avoid or minimize the adverse effect of the proposed action. The proposing agency shall consider any such recommendations made by the Secretary of Energy. The Secretary of Energy shall provide an annual report to the Committee on Energy and Natural Resources of the United States Senate and to the appropriate committees of the House of Representatives on all actions brought to his attention, what mitigation or alternatives, if any, were implemented, and what the short-term, mid-term, and long-term effect of the final action will likely be on domestic energy resource supplies and their development, distribution, or transmission.

**SEC. 4102. ANNUAL REPORT ON UNITED STATES ENERGY INDEPENDENCE.**

(a) **REPORT.**—Beginning on October 1, 2001, and annually thereafter, the Secretary of Energy, in consultation with the Secretary of Defense and the heads of other relevant Federal agencies, shall submit a report to the President and Congress which evaluates the progress the United States has made toward obtaining the goal of not more than 50 percent dependence on foreign oil sources by 2010.

(b) **ALTERNATIVES.**—The report shall specify legislative or administrative actions that must be implemented to meet this goal and set forth a range of options and alternatives with a benefit/cost analysis for each option or alternative together with an estimate of the contribution each option or alternative could make to reduce foreign oil imports. The Secretary shall solicit information from the public and request information from the Energy Information Agency and other agencies to develop the report. The report shall indicate, in detail, options and alternatives to (1) increase the use of renewable domestic energy sources, including conventional and non-conventional sources such as, but not limited to, increased hydroelectric generation at existing Federal facilities, (2) conserve energy resources, including improving efficiencies and decreasing consumption, and (3) increase domestic production and use of oil, natural gas, nuclear, and coal, including any actions necessary to provide access to, and transportation of, these energy resources.

(c) **REFINERY CAPACITY.**—As part of the reports submitted in 2001, 2005, and 2008, the Secretary shall examine and report on the condition of the domestic refinery industry and the extent of domestic storage capacity for various categories of petroleum products and make such recommendations as he believes will enhance domestic capabilities to respond to short-term shortages of various fuels due to climate or supply interruptions and ensure long-term supplies on a reliable and affordable basis.

(d) **NOTIFICATION TO CONGRESS.**—Whenever the Secretary determines that stocks of petroleum products have declined or are anticipated to decline to levels that would jeopardize national security or threaten supply shortages or price increases on a national or regional basis, he shall immediately notify Congress of the situation and shall make such recommendations for administrative or legislative action as he believes are necessary to alleviate the situation.

**SEC. 4103. STRATEGIC PETROLEUM RESERVE STUDY AND REPORT.**

The President shall immediately establish an Interagency Panel on the Strategic Petroleum Study (referred to in this section as the "Panel") to study oil markets and estimate the extent and frequency of fluctuations in

the supply and price of, and demand for crude oil in the future and determine appropriate capacity of and uses for the Strategic Petroleum Reserve. The Panel may recommend changes in existing authorities to strengthen the ability of the Strategic Petroleum Reserve to respond to energy requirements. The Panel shall complete its study and submit a report containing its findings and any recommendations to the President and Congress within 6 months from the date of enactment of this Act.

**SEC. 4104. STUDY OF EXISTING RIGHTS-OF-WAY TO DETERMINE CAPABILITY TO SUPPORT NEW PIPELINES OR OTHER TRANSMISSION FACILITIES.**

Not later than 1 year after the date of enactment of this Act, the head of each Federal agency that has authorized a right-of-way across Federal lands for transportation of energy supplies or transmission of electricity shall review each such right-of-way and submit a report to the Secretary of Energy and the Chairman of the Federal Energy Regulatory Commission whether the right-of-way can be used to support new or additional capacity and what modifications or other changes, if any, would be necessary to accommodate such additional capacity. In performing the review, the head of each agency shall consult with agencies of State or local units of government as appropriate and consider whether safety or other concerns related to current uses might preclude the availability of a right-of-way for additional or new transportation or transmission facilities and shall set forth those considerations in the report.

**SEC. 4105. USE OF FEDERAL FACILITIES.**

(a) The Secretary of the Interior and the Secretary of the Army shall each inventory all dams, impoundments, and other facilities under their jurisdiction.

(b) Based on this inventory and other information, the Secretary of the Interior and the Secretary of the Army shall each submit a report to Congress not later than 180 days after the date of enactment of this Act. Each report shall—

(1) describe, in detail, each facility that is capable, with or without modification, of producing additional hydroelectric power. For each such facility, the report shall state the full potential for the facility to generate hydroelectric power, whether the facility is currently generating hydroelectric power, and the costs to install, upgrade, modify, or take other actions to increase the hydroelectric generating capability of the facility. For each facility that currently has hydroelectric generating equipment, the report shall indicate the condition of such equipment, maintenance requirements, and schedule for any improvements as well as the purposes for which power is generated; and

(2) describe what actions are planned or underway to increase hydroelectric production from facilities under his jurisdiction and shall include any recommendations the Secretary deems advisable to increase such production, reduce costs, and improve efficiency at Federal facilities, including, but not limited to, use of lease of power privilege and contracting with non-Federal entities for operation and maintenance.

**SEC. 4106. NUCLEAR GENERATION STUDY.**

The Chairman of the Nuclear Regulatory Commission shall submit a report to Congress not later than 180 days after the date of enactment of this Act on the state of nuclear power generation and production in the United States and the potential for increasing nuclear generating capacity and production as part of this Nation's energy mix. The

report shall include an assessment of agency readiness to license new advanced reactor designs and discuss the needed confirmatory and anticipatory research activities that would support such a state of readiness. The report shall also review the status of the relicensing process for civilian nuclear power plants, including current and anticipated applications, and recommendations for improvements in the process, including, but not limited to recommendations for expediting the process and ensuring that relicensing is accomplished in a timely manner.

**SEC. 4107. DEVELOPMENT OF A NATIONAL SPENT NUCLEAR FUEL STRATEGY AND ESTABLISHMENT OF AN OFFICE OF SPENT NUCLEAR FUEL RESEARCH.**

(a) **DETERMINATION BY CONGRESS.**—Prior to the Federal Government taking any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements.

(b) **OFFICE OF SPENT NUCLEAR FUEL RESEARCH.**—There is hereby established an Office of Spent Nuclear Fuel Research (referred to in this section as the "Office") within the Office of Nuclear Energy Science and Technology of the Department of Energy. The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(c) **ASSOCIATE DIRECTOR.**—The Associate Director of the Office of Spent Nuclear Fuel Research shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment, recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary. The Associate Director of the Office shall report to the Director of the Office of Nuclear Energy Science and Technology. The first such Associate Director shall be appointed not later than 90 days after the date of enactment of this Act.

(d) **GRANT AND CONTRACT AUTHORITY.**—In carrying out his responsibilities under this section, the Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in (e)(2).

(e) **DUTIES.**—The Associate Director of the Office shall—

(1) involve national laboratories, universities, the commercial nuclear industry, and other organizations to investigate technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

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

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

(4) conduct research and development activities on such technologies;

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

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

(7) require research on advanced processing and separations;

(8) encourage that research efforts include participation of international collaborators;

(9) be authorized to fund international collaborators when they bring unique capabilities not available in the United States and

their host country is unable to provide for their support; and

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

(f) REPORT.—The Associate Director of the Office of Spent Nuclear Fuel Research shall annually prepare and submit a report to Congress on the activities and expenditures of the Office, including the progress that has been made to achieve the objectives of subsection (c).

**SEC. 4108. STUDY AND REPORT ON STATUS OF DOMESTIC REFINING INDUSTRY AND PRODUCT DISTRIBUTION SYSTEM.**

(a) ANNUAL REPORT.—The Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the States, the National Petroleum Council, and other representatives of the petroleum refining, distribution and retailing industries, shall submit a report to Congress on the condition of the domestic petroleum refining industry and the petroleum product distribution system. The first such report shall be submitted not later than January 1, 2002, and revised annually thereafter.

(b) RECOMMENDATIONS.—Each annual report shall include any recommendations that the Secretary believes should be implemented either through legislation or regulation to ensure that there is adequate domestic refining capacity and motor fuel supplies to meet the economic, social, and security requirements of the United States.

(c) PREPARATION.—In preparing each annual report, the Secretary shall—

(1) provide an assessment of the condition of the domestic petroleum refining industry and the Nation's motor fuel distribution system, including the ability to make future capital investments necessary to manufacture, transport, and store different petroleum products required by local, State, and Federal statute and regulations;

(2) examine the reliability and cost of feedstocks and energy supplied to the refining industry as well as the reliability and cost of products manufactured by such industry;

(3) provide an assessment of the collective effect of current and future motor fuel requirements on—

(A) the ability of the domestic motor fuels refining, distribution, and retailing industries to reliably and cost-effectively supply fuel to the Nation's consumers and businesses;

(B) gasoline (reformulated and conventional) and diesel fuel (on-highway and off-highway) supplies; and

(C) retail motor fuel price volatility;

(4) explore opportunities to streamline permitting and siting decisions and approvals for expanding existing and/or building new domestic refining capacity;

(5) recommend actions that can be taken to reduce future motor supply concerns; and

(6) provide an assessment of whether uniform, regional, or national performance-based fuel specifications would reduce supply disruptions and price spikes.

(d) CONFIDENTIALITY OF DATA.—Any information requested by the Secretary to be submitted by industry for purposes of this section shall be treated as confidential and shall be used only for the preparation of the annual report.

**SEC. 4109. REVIEW OF FEDERAL ENERGY REGULATORY COMMISSION NATURAL GAS PIPELINE CERTIFICATION PROCEDURES.**

The Federal Energy Regulatory Commission shall, in consultation with other appro-

appropriate Federal agencies, immediately undertake a comprehensive review of policies, procedures, and regulations for the certification of natural gas pipelines to determine how to reduce the cost and time of obtaining a certificate. The Commission shall report its findings not later than 180 days after the date of enactment of this Act to the Senate Committee on Energy and Natural Resources and the appropriate committees of the United States House of Representatives, including any recommendations for legislative changes.

**SEC. 4110. ANNUAL REPORT ON AVAILABILITY OF DOMESTIC ENERGY RESOURCES TO MAINTAIN THE ELECTRICITY GRID OF THE UNITED STATES.**

(a) Beginning on October 1, 2001, and annually thereafter, the Secretary of Energy, in consultation with the Federal Energy Regulatory Commission and the North American Electric Reliability Council, States, and appropriate regional organizations, shall submit a report to the President and Congress which evaluates the availability and capacity of domestic sources of energy generation to maintain the electricity grid in the United States. Specifically, the Secretary shall evaluate each region of the country with regard to grid stability during peak periods, such as summer, and options for improving grid stability.

(b) The report shall specify specific legislative or administrative actions that could be implemented to improve baseload generation and set forth a range of options and alternatives with a benefit/cost analysis for each option or alternative together with an estimate of the contribution each option or alternative could make to reduce foreign oil imports. The report shall indicate, in detail, options and alternatives to (1) increase the use of nonemitting domestic energy sources, including conventional and nonconventional sources such as, but not limited to, increased nuclear energy generation, and (2) conserve energy resources, including improving efficiencies and decreasing fuel consumption.

**SEC. 4111. STUDY OF FINANCING FOR NEW TECHNOLOGIES.**

(a) The Secretary of Energy shall undertake an independent assessment of innovative financing techniques to encourage and enable construction of new electricity supply technologies with high initial capital costs that might not otherwise be built in a deregulated market.

(b) The assessment shall be conducted by a firm with proven expertise in financing large capital projects or in financial services consulting, and is to be provided to Congress not later than 270 days after the date of enactment of this Act.

(c) The assessment shall include a comprehensive examination of all available techniques to safeguard private investors in high capital technologies—including advanced design power plants including, but not limited to, nuclear—against government-imposed risks that are beyond the investors' control. Such techniques may include (but not be limited to) Federal loan guarantees, Federal price guarantees, special tax considerations, and direct Federal Government investment.

**SEC. 4112. REVIEW OF REGULATIONS TO ELIMINATE BARRIERS TO EMERGING ENERGY TECHNOLOGY.**

(a) IN GENERAL.—Each Federal agency shall carry out a review of its regulations and standards to determine those that act as a barrier to market entry for emerging energy-efficient technologies, including, but not limited to, fuel cells, combined heat and power, and distributed generation (including small-scale renewable energy).

(b) REPORT TO CONGRESS.—Not later than eighteen months from date of enactment of this section, each agency shall provide a report to Congress and the President detailing all regulatory barriers to emerging energy-efficient technologies, along with actions the agency intends to take, or has taken, to remove such barriers.

(c) PERIODIC REVIEW.—Each agency shall subsequently review its regulations and standards in this manner no less frequently than every 5 years, and report their findings to Congress and the President. Such reviews shall include a detailed analysis of all agency actions taken to remove existing barriers to emerging energy technologies.

**SEC. 4113. INTERAGENCY AGREEMENT ON ENVIRONMENTAL REVIEW OF INTERSTATE NATURAL GAS PIPELINE PROJECTS.**

The Secretary of Energy, in coordination with the Federal Energy Regulatory Commission, shall establish an administrative interagency task force to develop an interagency agreement to expedite and facilitate the environmental review and permitting of interstate natural gas pipeline projects. The task force shall include the Bureau of Land Management and the Fish and Wildlife Service in the Department of the Interior, the United States Army Corps of Engineers, the United States Forest Service, the Environmental Protection Agency, the Advisory Council on Historic Preservation and such other agencies as the Office and the Federal Energy Regulatory Commission deem appropriate. The interagency agreement shall require that agencies complete their review of interstate pipeline projects within a specific period of time after referral of the matter by the Federal Energy Regulatory Commission. The agreement shall be completed within 6 months after the effective date of this section.

**SEC. 4114. PIPELINE INTEGRITY, SAFETY, AND RELIABILITY RESEARCH AND DEVELOPMENT.**

(a) IN GENERAL.—The Secretary of Transportation, in coordination with the Secretary of Energy, shall develop and implement an accelerated cooperative program of research and development to ensure the integrity of natural gas and hazardous liquid pipelines. This research and development program shall include materials inspection techniques, risk assessment methodology, and information systems surety.

(b) PURPOSE.—The purpose of the cooperative research program shall be to promote research and development to—

(1) ensure long-term safety, reliability and service life for existing pipelines;

(2) expand capabilities of internal inspection devices to identify and accurately measure defects and anomalies;

(3) develop inspection techniques for pipelines that cannot accommodate the internal inspection devices available on the date of enactment;

(4) develop innovative techniques to measure the structural integrity of pipelines to prevent pipeline failures;

(5) develop improved materials and coatings for use in pipelines;

(6) improve the capability, reliability, and practicality of external leak detection devices;

(7) identify underground environments that might lead to shortened service life;

(8) enhance safety in pipeline siting and land use;

(9) minimize the environmental impact of pipelines;

(10) demonstrate technologies that improve pipeline safety, reliability, and integrity;



(11) provide risk assessment tools for optimizing risk mitigation strategies; and

(12) provide highly secure information systems for controlling the operation of pipelines.

(c) AREAS.—In carrying out this section, the Secretary of Transportation, in coordination with the Secretary of Energy, shall consider research and development on natural gas, crude oil, and petroleum product pipelines for—

(1) early crack, defect, and damage detection, including real-time damage monitoring;

(2) automated internal pipeline inspection sensor systems;

(3) land use guidance and set back management along pipeline rights-of-way for communities;

(4) internal corrosion control;

(5) corrosion-resistant coatings;

(6) improved cathodic protection;

(7) inspection techniques where internal inspection is not feasible, including measurement of structural integrity;

(8) external leak detection, including portable real-time video imaging technology, and the advancement of computerized control center leak detection systems utilizing real-time remote field data input;

(9) longer life, high strength, non-corrosive pipeline materials;

(10) assessing the remaining strength of existing pipes;

(11) risk and reliability analysis models, to be used to identify safety improvements that could be realized in the near term resulting from analysis of data obtained from a pipeline performance tracking initiative;

(12) identification, monitoring, and prevention of outside force damage, including satellite surveillance; and

(13) any other areas necessary to ensuring the public safety and protecting the environment.

(d) RESEARCH AND DEVELOPMENT PROGRAM PLAN.—Within 240 days after the date of enactment of this section, the Secretary of Transportation, in coordination with the Secretary of Energy and the Pipeline Integrity Technical Advisory Committee, shall prepare and submit to Congress a 5-year program plan to guide activities under this section. In preparing the program plan, the Secretary shall consult with the appropriate representatives of the natural gas, crude oil, and petroleum product pipeline industries to select and prioritize appropriate project proposals. The Secretary may also seek the advice of utilities, manufacturers, institutions of higher learning, Federal agencies, the pipeline research institutions, national laboratories, State pipeline safety officials, environmental organizations, pipeline safety advocates, and professional and technical societies.

(e) IMPLEMENTATION.—The Secretary of Transportation shall have primary responsibility for ensuring the 5-year plan provided for in subsection (d) is implemented as intended by this section. In carrying out the research, development, and demonstration activities under this section, the Secretary of Transportation and the Secretary of Energy may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wylder Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grants, joint ventures, other transactions, and any other form of agreement available to the Secretary consistent with the recommendations of the Advisory Committee.

(f) REPORTS TO CONGRESS.—The Secretary of Transportation shall report to Congress annually as to the status and results to date of the implementation of the research and development program plan. The report shall include the activities of the Departments of Transportation and Energy, the national laboratories, universities, and any other research organizations, including industry research organizations.

(g) PIPELINE INTEGRITY TECHNICAL ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—The Secretary of Transportation shall enter into appropriate arrangements with the National Academy of Sciences to establish and manage the Pipeline Integrity Technical Advisory Committee for the purpose of advising the Secretary of Transportation and the Secretary of Energy on the development and implementation of the 5-year research, development, and demonstration program plan as defined in subsection (d). The Advisory Committee shall have an ongoing role in evaluating the progress and results of the research, development, and demonstration carried out under this section.

(2) MEMBERSHIP.—The National Academy of Sciences shall appoint the members of the Pipeline Integrity Technical Advisory Committee after consultation with the Secretary of Transportation and the Secretary of Energy. Members appointed to the Advisory Committee should have the necessary qualifications to provide technical contributions to the purposes of the Advisory Committee.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation and to the Secretary of Energy for carrying out this section such sums as may be necessary for each of the fiscal years 2002 through 2006.

#### SEC. 4115. RESEARCH AND DEVELOPMENT FOR NEW NATURAL GAS TECHNOLOGIES.

(a) The Secretary of Energy shall conduct a comprehensive 5-year program for research, development and demonstration to improve the reliability, efficiency, safety and integrity of the natural gas transportation and distribution infrastructure and for distributed energy resources (including microturbines, fuel cells, advanced engine-generators gas turbines reciprocating engines, hybrid power generation systems, and all ancillary equipment for dispatch, control and maintenance).

(b) There are authorized to be appropriated such sums as may be necessary for the purposes of this section.

#### TITLE II—TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM FOR ADVANCED CLEAN COAL TECHNOLOGY FOR COAL-BASED ELECTRICITY GENERATING FACILITIES

##### SEC. 4201. PURPOSE.

The purpose of this title is to direct the Secretary of Energy (referred to in this title as the “Secretary”) to—

(1) establish a coal-based technology development program designed to achieve cost and performance goals;

(2) carry out a study to identify technologies that may be capable of achieving, either individually or in combination, the cost and performance goals and for other purposes; and

(3) implement a research, development, and demonstration program to develop and demonstrate, in commercial-scale applications, advanced clean coal technologies for coal-fired generating units constructed before the date of enactment of this title.

##### SEC. 4202. COST AND PERFORMANCE GOALS.

(a) IN GENERAL.—The Secretary shall perform an assessment that identifies costs and

associated performance of technologies that would permit the continued cost-competitive use of coal for electricity generation, as chemical feedstocks, and as transportation fuel in 2007, 2015, and the years after 2020.

(b) CONSULTATION.—In establishing cost and performance goals, the Secretary shall consult with representatives of—

(1) the United States coal industry;

(2) State coal development agencies;

(3) the electric utility industry;

(4) railroads and other transportation industries;

(5) manufacturers of equipment using advanced coal technologies;

(6) organizations representing workers; and

(7) organizations formed to—

(A) further the goals of environmental protection;

(B) promote the use of coal; or

(C) promote the development and use of advanced coal technologies.

(c) TIMING.—The Secretary shall—

(1) not later than 120 days after the date of enactment of this Act, issue a set of draft cost and performance goals for public comment; and

(2) not later than 180 days after the date of enactment of this Act, and after taking into consideration any public comments received, submit to Congress the final cost and performance goals.

##### SEC. 4203. STUDY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the Secretary of the Interior and the Administrator of the Environmental Protection Agency, shall conduct a study to—

(1) identify technologies capable of achieving cost and performance goals, either individually or in various combinations;

(2) assess costs that would be incurred by, and the period of time that would be required for, the development and demonstration of technologies that contribute, either individually or in various combinations, to the achievement of cost and performance goals; and

(3) develop recommendations for technology development programs, which the Department of Energy could carry out in cooperation with industry, to develop and demonstrate such technologies.

(b) COOPERATION.—In carrying out this section, the Secretary shall give appropriate consideration to the expert advice of representatives from the entities described in section 4111(b).

##### SEC. 4204. TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a program of research on and development, demonstration, and commercial application of coal-based technologies under—

(1) this division;

(2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.);

(3) the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.); and

(4) title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381 et seq.).

(b) CONDITIONS.—The research, development, demonstration, and commercial application programs identified in section 4203(a) shall be designed to achieve the cost and performance goals, either individually or in various combinations.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the President and Congress a report containing—

(1) a description of the programs that, as of the date of the report, are in effect or are to

be carried out by the Department of Energy to support technologies that are designed to achieve the cost and performance goals; and (2) recommendations for additional authorities required to achieve the cost and performance goals.

**SEC. 4205. AUTHORIZATION OF APPROPRIATIONS.**

(a) **IN GENERAL.**—There is authorized to be appropriated to carry out the provisions of sections 4202, 4203, and 4204, \$100,000,000 for each of fiscal years 2002 through 2012, to remain available until expended.

(b) **CONDITIONS OF AUTHORIZATION.**—The authorization of appropriations under subsection (a)—

(1) shall be in addition to authorizations of appropriations in effect on the date of enactment of this Act; and

(2) shall not be a cap on Department of Energy fossil energy research and development and clean coal technology appropriations.

**SEC. 4206. POWER PLANT IMPROVEMENT INITIATIVE.**

(a) **IN GENERAL.**—The Secretary shall carry out a power plant improvement initiative program that will demonstrate commercial applications of advanced coal-based technologies applicable to new or existing power plants, including co-production plants, that, either individually or in combination, advance the efficiency, environmental performance and cost competitiveness well beyond that which is in operation or has been demonstrated to date.

(b) **PLAN.**—Not later than 120 days after the date of enactment of this title, the Secretary shall submit to Congress a plan to carry out subsection (a) that includes a description of—

(1) the program elements and management structure to be used;

(2) the technical milestones to be achieved with respect to each of the advanced coal-based technologies included in the plan; and

(3) the demonstration activities that will benefit new or existing coal-based electric generation units having at least a 50 megawatt nameplate rating including improvements to allow the units to achieve either—

(A) an overall design efficiency improvement of not less than 3 percentage points as compared with the efficiency of the unit as operated on the date of enactment of this title and before any retrofit, repowering, replacement or installation;

(B) a significant improvement in the environmental performance related to the control of sulfur dioxide, nitrogen oxide or mercury in a manner that is well below the cost of technologies that are in operation or have been demonstrated to date; or

(C) a means of recycling or reusing a significant proportion of coal combustion wastes produced by coal-based generating units excluding practices that are commercially available at the date of enactment.

**SEC. 4207. FINANCIAL ASSISTANCE.**

(a) **IN GENERAL.**—Not later than 180 days after the date on which the Secretary submits to Congress the plan under section 4206(b), the Secretary shall solicit proposals for projects which serve or benefit new or existing facilities and, either individually or in combination, are designed to achieve the levels of performance set forth in section 4206(b)(3).

(b) **PROJECT CRITERIA.**—A solicitation under subsection (a) may include solicitation of a proposal for a project to demonstrate—

(1) the reduction of emissions of 1 or more pollutants; or

(2) the production of coal combustion by-products that are capable of obtaining economic values significantly greater than by-

products produced on the date of enactment of this title.

(c) **FINANCIAL ASSISTANCE.**—The Secretary shall provide financial assistance to projects that—

(1) demonstrate overall cost reductions in the utilization of coal to generate useful forms of energy;

(2) improve the competitiveness of coal among various forms of energy to maintain a diversity of fuel choices in the United States to meet electricity generation requirements;

(3) achieve in a cost-effective manner, 1 or more of the criteria set out in the solicitation; and

(4) demonstrate technologies that are applicable to 25 percent of the electricity generating facilities that use coal as the primary feedstock on the date of enactment of this title.

(d) **FEDERAL SHARE.**—The Federal share of the cost of any project funded under this section shall not exceed 50 percent.

(e) **EXEMPTION FROM NEW SOURCE REVIEW PROVISIONS.**—A project funded under this section shall be exempt from the new source review provisions of the Clean Air Act (42 U.S.C. 7401 et seq.).

**SEC. 4208. FUNDING.**

To carry out sections 4206 and 4207, there are authorized to be appropriated such sums as may be necessary.

**SEC. 4209. RESEARCH AND DEVELOPMENT FOR ADVANCED SAFE AND EFFICIENT COAL MINING TECHNOLOGIES.**

(a) The Secretary of Energy shall establish a cooperative research partnership involving appropriate Federal agencies, coal producers, including associations, equipment manufacturers, universities with mining engineering departments, and other relevant entities to develop mining research priorities identified by the Mining Industry of the Future Program and in the National Academy of Sciences report on Mining Technologies, establish a process for joint industry-government research; and expand mining research capabilities at universities.

(b) There are authorized to be appropriated to carry out the requirements of this section, \$10,000,000 in fiscal year 2002, \$12,000,000 in fiscal year 2003, and \$15,000,000 in fiscal year 2004. At least 20 percent of any funds appropriated shall be dedicated to research carried out at universities.

**SEC. 4210. RAILROAD EFFICIENCY.**

(a) The Secretary shall, in conjunction with the Secretaries of Transportation and Defense, and the Administrator of the Environmental Protection Agency, establish a public-private research partnership involving the Federal Government, railroad carriers, locomotive manufacturers, and the Association of American Railroads. The goal of the initiative shall include developing and demonstrating locomotive technologies that increase fuel economy, reduce emissions, improve safety, and lower costs.

(b) There are authorized to be appropriated to carry out the requirements of this section \$50,000,000 in fiscal year 2002, \$60,000,000 in fiscal year 2003, and \$70,000,000 in fiscal year 2004.

**TITLE III—OIL AND GAS**

**Subtitle A—Deepwater and Frontier Royalty Relief**

**SEC. 4301. SHORT TITLE.**

This subtitle may be cited as the “Outer Continental Shelf Deep Water and Frontier Royalty Relief Act”.

**SEC. 4302. AMENDMENTS TO THE OUTER CONTINENTAL SHELF LANDS ACT.**

(a) Section 8(a)(1)(D) of the Outer Continental Shelf Lands Act (43 U.S.C.

1337(a)(1)(D)) is amended by striking the word “area;” and inserting in lieu thereof the word “area,” and the following new text: “except in the Arctic areas of Alaska, where the Secretary is authorized to set the net profit share at 16% percent. For purposes of this section, ‘Arctic areas’ means the Beaufort Sea and Chukchi Sea Planning Areas of Alaska;”.

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by adding at the end the following:

“(9) After an oil and gas lease is granted pursuant to any of the bidding systems of paragraph (1) of this subsection, the Secretary shall reduce any future royalty or rental obligation of the lessee on any lease issued by the Secretary (and proposed by the lessee for such reduction) by an amount equal to—

“(A) 10 percent of the qualified costs of exploratory wells drilled or geophysical work performed on any lease issued by the Secretary, whichever is greater, pursuant to this Act in Arctic areas of Alaska; and

“(B) an additional 10 percent of the qualified costs of any such exploratory wells which are located ten or more miles from another well drilled for oil and gas.

For purposes of this Act, ‘qualified costs’ shall mean the costs allocated to the exploratory well or geophysical work in support of an exploration program pursuant to the Internal Revenue Code of 1986; ‘exploratory well’ shall mean either an exploratory well as defined by the United States Securities and Exchange Commission in sections 210.4 through 210.10(a)(10) of title 17, Code of Federal Regulations (or a successor regulation), or a well 3 or more miles from any oil or gas well or a pipeline which transports oil or gas to a market or terminal; ‘geophysical work’ shall mean all geophysical data gathering methods used in hydrocarbon exploration and includes seismic, gravity, magnetic, and electromagnetic measurements; and all distances shall be measured in horizontal distance. When a measurement beginning or ending point is a well, the measurement point shall be the bottom hole location of that well.”.

**SEC. 4303. REGULATIONS.**

The Secretary shall promulgate such rules and regulations as are necessary to implement the provisions of this subtitle not later than 180 days after the date of enactment of this Act.

**SEC. 4304. SAVINGS CLAUSE.**

Nothing in this subtitle shall be construed to affect any offshore pre-leasing, leasing, or development moratorium, including any moratorium applicable to the Eastern Planning Area of the Gulf of Mexico located off the Gulf Coast of Florida.

**Subtitle B—Oil and Gas Royalties in Kind**

**SEC. 4310. PROGRAM ON OIL AND GAS ROYALTIES IN KIND.**

(a) **APPLICABILITY OF SECTION.**—Notwithstanding any other provision of law, the provisions of this section shall apply to all royalty in kind accepted by the Secretary of the Interior under any Federal oil or gas lease or permit under section 36 of the Mineral Leasing Act (30 U.S.C. 192) or section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353) or any other mineral leasing law from the date of enactment of this Act through September 30, 2006.

(b) **TERMS AND CONDITIONS.**—All royalty accruing to the United States under any Federal oil or gas lease or permit under the Mineral Leasing Act (30 U.S.C. 181 et seq.) or the Outer Continental Shelf Lands Act (43 U.S.C.

1331 et seq.) or any other mineral leasing law on demand of the Secretary of the Interior shall be paid in oil or gas. If the Secretary of the Interior elects to accept the royalty in kind—

(1) delivery by, or on behalf of, the lessee of the royalty amount and quality due at the lease satisfies the lessee's royalty obligation for the amount delivered, except that transportation and processing reimbursements paid to, or deductions claimed by, the lessee shall be subject to review and audit;

(2) royalty production shall be placed in marketable condition at no cost to the United States;

(3) the Secretary of the Interior may—

(A) sell or otherwise dispose of any royalty oil or gas taken in kind for not less than fair market value; and

(B) transport or process any oil or gas royalty taken in kind;

(4) the Secretary of the Interior may, notwithstanding section 3302 of title 31, United States Code, retain and use a portion of the revenues from the sale of oil and gas royalties taken in kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use royalty production, to pay the cost of—

(A) transporting the oil or gas;

(B) processing the gas; or

(C) disposing of the oil or gas; and

(5) the Secretary may not use revenues from the sale of oil and gas royalties taken in kind to pay for personnel, travel or other administrative costs of the Federal Government.

(c) REIMBURSEMENT OF COST.—If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the gas or delivers the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary of the Interior shall reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs, or, at the discretion of the Secretary of the Interior, allow the lessee to deduct such transportation or processing costs in reporting and paying royalties in value for other Federal oil and gas leases.

(d) BENEFIT TO THE UNITED STATES.—The Secretary shall administer any program taking royalty oil or gas in kind only if the Secretary determines that the program is providing benefits to the United States greater than or equal to those which would be realized under a comparable royalty in value program.

(e) REPORT TO CONGRESS.—For every fiscal year, beginning in 2002 through 2006, in which the United States takes oil or gas royalties within any State or from the outer Continental Shelf in kind, excluding royalties taken in kind and sold to refineries under subsection (h) of this section, the Secretary of the Interior shall provide a report to Congress that describes—

(1) the methodology or methodologies used by the Secretary to determine compliance with subsection (d), including performance standards for comparing to amounts likely to have been received had royalties been taken in value;

(2) an explanation of the evaluation that led the Secretary to take royalties in kind from a lease or group of leases, including the expected revenue effect of taking royalties in kind;

(3) actual amounts realized from taking royalties in kind, and costs and savings associated with taking royalties in kind; and

(4) an evaluation of other relevant public benefits or detriments associated with taking royalties in kind.

(f) DEDUCTION OF EXPENSES.—

(1) Prior to making disbursements under section 35 of the Mineral Leasing Act (30 U.S.C. 191) or section 8(g) of the Outer Continental Shelf Lands Act (30 U.S.C. 1337(g)) or other applicable provision of law, of revenues derived from the sale of royalty production taken in kind from a lease, the Secretary of the Interior shall deduct amounts paid or deducted under paragraphs (b)(3) and (c), and shall deposit such amounts to miscellaneous receipts.

(2) If the Secretary of the Interior allows the lessee to deduct transportation or processing costs under paragraph (c), the Secretary of the Interior may not reduce any payments to recipients of revenues derived from any other Federal oil and gas lease as a consequence of that deduction.

(g) CONSULTATION WITH STATES.—The Secretary of the Interior will consult with a State prior to conducting a royalty in kind program within the State and may delegate management of any portion of the Federal royalty in kind program to such State except as otherwise prohibited by Federal law. The Secretary shall also consult annually with any State from which Federal royalty oil or gas is being taken in kind to ensure to the maximum extent practicable that the royalty in kind program provides revenues to the State greater than or equal to those which would be realized under a comparable royalty in value program.

(h) PROVISIONS FOR SMALL REFINERIES.—

(1) If the Secretary of the Interior determines that sufficient supplies of crude oil are not available in the open market to refineries not having their own source of supply for crude oil, the Secretary may grant preference to such refineries in the sale of any royalty oil accruing or reserved to the United States under Federal oil and gas leases issued under any mineral leasing law, for processing or use in such refineries at private sale at not less than fair market value.

(2) In selling oil under this subsection, the Secretary of the Interior may at his discretion prorate such oil among such refineries in the area in which the oil is produced.

(i) DISPOSITION TO FEDERAL AGENCIES.—

(1) Any royalty oil or gas taken in kind from onshore oil and gas leases may be sold at not less than the fair market value to any department or agency of the United States.

(2) Any royalty oil or gas taken in kind from Federal oil and gas leases on the outer Continental Shelf may be disposed of under section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353(a)(3)).

#### Subtitle C—Use of Royalty In Kind Oil To Fill the Strategic Petroleum Reserve

#### SEC. 4320. USE OF ROYALTY IN KIND OIL TO FILL THE STRATEGIC PETROLEUM RESERVE.

The Secretary of the Interior shall enter into an agreement with the Secretary of Energy to transfer title to the Federal share of crude oil production from Federal lands for use at the discretion of the Secretary of Energy in filling the Strategic Petroleum Reserve during periods of crude oil market stability. The Secretary of Energy may also use the Federal share of crude oil produced from Federal lands for other disposal within the Federal Government, as he may determine, to carry out the energy policy of the United States.

#### Subtitle D—Improvements to Federal Oil and Gas Lease Management

#### SEC. 4330. SHORT TITLE.

This subtitle may be cited as the "Federal Oil and Gas Lease Management Improvement Act of 2000".

#### SEC. 4331. DEFINITIONS.

In this subtitle:

(1) APPLICATION FOR A PERMIT TO DRILL.—The term "application for a permit to drill" means a drilling plan including design, mechanical, and engineering aspects for drilling a well.

(2) FEDERAL LAND.—

(A) IN GENERAL.—The term "Federal land" means all land and interests in land owned by the United States that are subject to the mineral leasing laws, including mineral resources or mineral estates reserved to the United States in the conveyance of a surface or non-mineral estate.

(B) EXCLUSION.—The term "Federal land" does not include—

(i) Indian land (as defined in section 3 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1702)); or

(ii) submerged land on the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)).

(3) OIL AND GAS CONSERVATION AUTHORITY.—The term "oil and gas conservation authority" means the agency or agencies in each State responsible for regulating for conservation purposes operations to explore for and produce oil and natural gas.

(4) PROJECT.—The term "project" means an activity by a lessee, an operator, or an operating rights owner to explore for, develop, produce, or transport oil or gas resources.

(5) SECRETARY.—The term "Secretary" means—

(A) the Secretary of the Interior, with respect to land under the administrative jurisdiction of the Department of the Interior; and

(B) the Secretary of Agriculture, with respect to land under the administrative jurisdiction of the Department of Agriculture.

(6) SURFACE USE PLAN OF OPERATIONS.—The term "surface use plan of operations" means a plan for surface use, disturbance, and reclamation.

#### SEC. 4332. NO PROPERTY RIGHT.

Nothing in this subtitle gives a State a property right or interest in any Federal lease or land.

#### SEC. 4333. TRANSFER OF AUTHORITY.

(a) NOTIFICATION.—Not before the date that is 180 days after the date of enactment of this Act, a State may notify the Secretary of its intent to accept authority for regulation of operations, as described in subparagraphs (A) through (K) of subsection (b)(2), under oil and gas leases on Federal land within the State.

(b) TRANSFER OF AUTHORITY.—

(1) IN GENERAL.—Effective 180 days after the Secretary receives the State's notice, authority for the regulation of oil and gas leasing operations is transferred from the Secretary to the State.

(2) AUTHORITY INCLUDED.—The authority transferred under paragraph (1) includes—

(A) processing and approving applications for permits to drill, subject to surface use agreements and other terms and conditions determined by the Secretary;

(B) production operations;

(C) well testing;

(D) well completion;

(E) well spacing;

(F) communication;

(G) conversion of a producing well to a water well;

(H) well abandonment procedures;

(I) inspections;

(J) enforcement activities; and

(K) site security.

(c) RETAINED AUTHORITY.—The Secretary shall—

(1) retain authority over the issuance of leases and the approval of surface use plans of operations and project-level environmental analyses; and

(2) spend appropriated funds to ensure that timely decisions are made respecting oil and gas leasing, taking into consideration multiple uses of Federal land, socioeconomic and environmental impacts, and the results of consultations with State and local government officials.

**SEC. 4334. ACTIVITY FOLLOWING TRANSFER OF AUTHORITY.**

(a) **FEDERAL AGENCIES.**—Following the transfer of authority, no Federal agency shall exercise the authority formerly held by the Secretary as to oil and gas lease operations and related operations on Federal land.

(b) **STATE AUTHORITY.**—

(1) **IN GENERAL.**—Following the transfer of authority, each State shall enforce its own oil and gas conservation laws and requirements pertaining to transferred oil and gas lease operations and related operations with due regard to the national interest in the expedited, environmentally sound development of oil and gas resources in a manner consistent with oil and gas conservation principles.

(2) **APPEALS.**—Following a transfer of authority under section 4333, an appeal of any decision made by a State oil and gas conservation authority shall be made in accordance with State administrative procedures.

(c) **PENDING ENFORCEMENT ACTIONS.**—The Secretary may continue to enforce any pending actions respecting acts committed before the date on which authority is transferred to a State under section 4333 until those proceedings are concluded.

(d) **PENDING APPLICATIONS.**—

(1) **TRANSFER TO STATE.**—All applications respecting oil and gas lease operations and related operations on Federal land pending before the Secretary on the date on which authority is transferred under section 4333 shall be immediately transferred to the oil and gas conservation authority of the State in which the lease is located.

(2) **ACTION BY THE STATE.**—The oil and gas conservation authority shall act on the application in accordance with State laws (including regulations) and requirements.

**SEC. 4335. COMPENSATION FOR COSTS.**

(a) **IN GENERAL.**—Subject to the availability of appropriations, the Secretary shall compensate any State for costs incurred to carry out the authorities transferred under section 4333.

(b) **PAYMENT SCHEDULE.**—Payments shall be made not less frequently than every quarter.

(c) **COST BREAKDOWN REPORT.**—Each State seeking compensation shall report to the Secretary a cost breakdown for the authorities transferred.

**SEC. 4336. APPLICATIONS.**

(a) **LIMITATION ON COST RECOVERY.**—Notwithstanding sections 304 and 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734, 1764) and section 9701 of title 31, United States Code, the Secretary shall not recover the Secretary's costs with respect to applications and other documents relating to oil and gas leases.

(b) **COMPLETION OF PLANNING DOCUMENTS AND ANALYSES.**—

(1) **IN GENERAL.**—The Secretary shall complete any resource management planning documents and analyses not later than 90 days after receiving any offer, application, or request for which a planning document or analysis is required to be prepared.

(2) **PREPARATION BY APPLICANT OR LESSEE.**—If the Secretary is unable to complete the document or analysis within the time prescribed by paragraph (1), the Secretary shall notify the applicant or lessee of the opportunity to prepare the required document or analysis for the agency's review and use in decisionmaking.

(c) **REIMBURSEMENT FOR COSTS OF NEPA ANALYSES, DOCUMENTATION, AND STUDIES.**—If—

(1) adequate funding to enable the Secretary to timely prepare a project-level analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to an oil or gas lease is not appropriated; and

(2) the lessee, operator, or operating rights owner voluntarily pays for the cost of the required analysis, documentation, or related study;

the Secretary shall reimburse the lessee, operator, or operating rights owner for its costs through royalty credits attributable to the lease, unit agreement, or project area.

**SEC. 4337. TIMELY ISSUANCE OF DECISIONS.**

(a) **IN GENERAL.**—The Secretary shall ensure the timely issuance of Federal agency decisions respecting oil and gas leasing and operations on Federal land.

(b) **OFFER TO LEASE.**—

(1) **DEADLINE.**—The Secretary shall accept or reject an offer to lease not later than 90 days after the filing of the offer.

(2) **FAILURE TO MEET DEADLINE.**—If an offer is not acted upon within that time, the offer shall be deemed to have been accepted.

(c) **APPLICATION FOR PERMIT TO DRILL.**—

(1) **DEADLINE.**—The Secretary and a State that has accepted a transfer of authority under section 4333 shall approve or disapprove an application for permit to drill not later than 30 days after receiving a complete application.

(2) **FAILURE TO MEET DEADLINE.**—If the application is not acted on within the time prescribed by paragraph (1), the application shall be deemed to have been approved.

(d) **SURFACE USE PLAN OF OPERATIONS.**—The Secretary shall approve or disapprove a surface use plan of operations not later than 30 days after receipt of a complete plan.

(e) **ADMINISTRATIVE APPEALS.**—

(1) **DEADLINE.**—From the time that a Federal oil and gas lessee or operator files a notice of administrative appeal of a decision or order of an officer or employee of the Department of the Interior or the Forest Service respecting a Federal oil and gas Federal lease, the Secretary shall have 2 years in which to issue a final decision in the appeal.

(2) **FAILURE TO MEET DEADLINE.**—If no final decision has been issued within the time prescribed by paragraph (1), the appeal shall be deemed to have been granted.

**SEC. 4338. ELIMINATION OF UNWARRANTED DENIALS AND STAYS.**

(a) **IN GENERAL.**—The Secretary shall ensure that unwarranted denials and stays of lease issuance and unwarranted restrictions on lease operations are eliminated from the administration of oil and gas leasing on Federal land.

(b) **LAND DESIGNATED FOR MULTIPLE USE.**—

(1) **IN GENERAL.**—Land designated as available for multiple use under Bureau of Land Management resource management plans and Forest Service leasing analyses shall be available for oil and gas leasing without lease stipulations more stringent than restrictions on surface use and operations imposed under the laws (including regulations) of the State oil and gas conservation authority unless the Secretary includes in the deci-

sion approving the management plan or leasing analysis a written explanation why more stringent stipulations are warranted.

(2) **APPEAL.**—Any decision to require a more stringent stipulation shall be administratively appealable and, following a final agency decision, shall be subject to judicial review.

(c) **REJECTION OF OFFER TO LEASE.**—

(1) **IN GENERAL.**—If the Secretary rejects an offer to lease on the ground that the land is unavailable for leasing, the Secretary shall provide a written, detailed explanation of the reasons the land is unavailable for leasing.

(2) **PREVIOUS RESOURCE MANAGEMENT DECISION.**—If the determination of unavailability is based on a previous resource management decision, the explanation shall include a careful assessment of whether the reasons underlying the previous decision are still persuasive.

(3) **SEGREGATION OF AVAILABLE LAND FROM UNAVAILABLE LAND.**—The Secretary may not reject an offer to lease land available for leasing on the ground that the offer includes land unavailable for leasing, and the Secretary shall segregate available land from unavailable land, on the offeror's request following notice by the Secretary, before acting on the offer to lease.

(d) **DISAPPROVAL OR REQUIRED MODIFICATION OF SURFACE USE PLANS OF OPERATIONS AND APPLICATION FOR PERMIT TO DRILL.**—The Secretary shall provide a written, detailed explanation of the reasons for disapproving or requiring modifications of any surface use plan of operations or application for permit to drill.

(e) **EFFECTIVENESS OF DECISION.**—A decision of the Secretary respecting an oil and gas lease shall be effective pending administrative appeal to the appropriate office within the Department of the Interior or the Department of Agriculture unless that office grants a stay in response to a petition satisfying the criteria for a stay established by section 4.21(b) of title 43, Code of Federal Regulations (or any successor regulation).

**SEC. 4339. REPORTS.**

(a) **IN GENERAL.**—Not later than March 31, 2002, the Secretaries shall jointly submit to Congress a report explaining the most efficient means of eliminating overlapping jurisdiction, duplication of effort, and inconsistent policymaking and policy implementation as between the Bureau of Land Management and the Forest Service.

(b) **RECOMMENDATIONS.**—The report shall include recommendations on statutory changes needed to implement the report's conclusions.

**Subtitle E—Royalty Reinvestment in America**

**SEC. 4351. ROYALTY INCENTIVE PROGRAM.**

(a) **IN GENERAL.**—To encourage exploration and development expenditures on Federal land and the outer Continental Shelf for the development of oil and gas resources when the cash price of West Texas Intermediate crude oil, as posted on the Dow Jones Commodities Index chart is less than \$18 per barrel for 90 consecutive pricing days or when natural gas prices as delivered at Henry Hub, Louisiana, are less than \$2.30 per million British thermal units for 90 consecutive days, the Secretary shall allow a credit against the payment of royalties on Federal oil production and gas production, respectively, in an amount equal to 20 percent of the capital expenditures made on exploration and development activities on Federal oil and gas leases.

(b) **NO CREDITING AGAINST ONSHORE FEDERAL ROYALTY OBLIGATIONS.**—In no case

shall such capital expenditures made on outer Continental Shelf leases be credited against onshore Federal royalty obligations.

#### TITLE IV—NUCLEAR

##### Subtitle A—Price-Anderson Amendments

###### SEC. 4401. SHORT TITLE.

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

###### SEC. 4402. INDEMNIFICATION AUTHORITY.

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

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

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

###### SEC. 4403. DOE LIABILITY LIMIT.

(a) AGGREGATE LIABILITY LIMIT.—Section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

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

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

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

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

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

###### SEC. 4404. INCIDENTS OUTSIDE THE UNITED STATES.

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

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

###### SEC. 4405. REPORTS.

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

###### SEC. 4406. INFLATION ADJUSTMENT.

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

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

(2) by adding after paragraph (1) the following:

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

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

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

###### SEC. 4407. CIVIL PENALTIES.

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

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

“d. Notwithstanding subsection a., no contractor, subcontractor, or supplier considered to be nonprofit under the Internal Revenue Code of 1954 shall be subject to a civil penalty under this section in excess of the amount of any performance fee paid by the Secretary to such contractor, subcontractor, or supplier under the contract under which the violation or violations occur.”.

###### SEC. 4408. EFFECTIVE DATE.

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

(b) INDEMNIFICATION PROVISIONS.—The amendments made by sections 4403 and 4404 shall not apply to any nuclear incident occurring before the date of enactment of this Act.

(c) CIVIL PENALTY PROVISIONS.—The amendments made by section 4407 to section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) shall not apply to any violation occurring under a contract entered into before the date of enactment of this Act.

##### Subtitle B—Funding From the Department of Energy

###### SEC. 4410. NUCLEAR ENERGY RESEARCH INITIATIVE.

There are authorized to be appropriated \$60,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Research Initiative to be managed by the Director of the Office of Nuclear Energy, for grants to be competitively awarded and subject to peer review for research relating to nuclear energy. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Energy Research Initiative.

###### SEC. 4411. NUCLEAR ENERGY PLANT OPTIMIZATION PROGRAM.

There are authorized to be appropriated \$10,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Plant Optimization Program to be managed by the Director of the Office of Nuclear Energy, for a joint program with industry cost-shared by at least 50 percent and subject to annual review by the Secretary of Energy’s Nuclear Energy Research Advisory Council. The Secretary of Energy shall submit to the Committee on

Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Energy Plant Optimization Program.

###### SEC. 4412. NUCLEAR ENERGY TECHNOLOGY DEVELOPMENT PROGRAM.

There are authorized to be appropriated \$25,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Technology Development Program to be managed by the Director of the Office of Nuclear Energy, for a roadmap to design and develop a new nuclear energy facility in the United States and subject to annual review by the Secretary of Energy’s Nuclear Energy Research Advisory Council. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Technology Development Program.

##### Subtitle C—Grants for Incentive Payments for Capital Improvements To Increase Efficiency

###### SEC. 4420. NUCLEAR ENERGY PRODUCTION INCENTIVES.

(a) INCENTIVE PAYMENTS.—For electric energy generated and sold by an existing nuclear energy facility during the incentive period, the Secretary of Energy shall make, subject to the availability of appropriations, incentive payments to the owner or operator of such facility. The amount of such payment made to any such owner or operator shall be as determined under subsection (e) of this section. Payments under this section may only be made upon receipt by the Secretary of an incentive payment application, which establishes that the applicant is eligible to receive such payment and which satisfies such other requirements as the Secretary deems necessary. Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.

(b) DEFINITIONS.—For purposes of this section:

(1) QUALIFIED NUCLEAR ENERGY FACILITY.—The term “qualified nuclear energy facility” means an existing reactor used to generate electricity for sale.

(2) EXISTING REACTOR.—The term “existing reactor” means any nuclear reactor the construction of which was completed and licensed by the Nuclear Regulatory Commission before the date of enactment of this section.

(c) INCENTIVE PERIOD.—A qualified nuclear energy facility may receive payments under this section for a period of 15 years (referred to in this section as the “incentive period”).

(d) AMOUNT OF PAYMENT.—

(1) Payments made by the Secretary under this section to the owner or operator of a nuclear energy facility shall be based on the increased volume of kilowatt hours of electricity generated by the qualified nuclear energy facility during the incentive period. The amount of such payment shall be 1 mill for each kilowatt-hour produced in excess of the total generation produced over the most recent calendar year prior to the first fiscal year in which payment is sought. Such payment is subject to the availability of appropriations under subsection (f), except that no facility may receive more than \$2,000,000 in 1 calendar year.

(2) The amount of the payment made to any person under this section as provided in

paragraph (1) shall be adjusted for inflation for each fiscal year beginning after calendar year 2001 in the same manner as provided in the provisions of section 29(d)(2)(B) of the Internal Revenue Code of 1986, except that in applying such provisions, the calendar year 2001 shall be substituted for the calendar year 1979.

(e) SUNSET.—No payment may be made under this section to any nuclear energy facility after the expiration of the period of 20 fiscal years beginning with fiscal year 2001, and no payment may be made under this section to any such facility after a payment has been made with respect to such facility for a period of 15 fiscal years.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the purposes of this section \$50,000,000 for each of the fiscal years 2001 through 2015.

**SEC. 4421. NUCLEAR ENERGY EFFICIENCY IMPROVEMENT.**

(a) INCENTIVE PAYMENTS.—The Secretary of Energy shall make incentive payments to the owners or operators of qualified nuclear energy facilities to be used to make capital improvements in the facilities that are directly related to improving the electrical output efficiency of such facilities by at least 1 percent.

(b) LIMITATIONS.—

(1) Incentive payments under this section shall not exceed 10 percent of the costs of the capital improvement concerned and not more than 1 payment may be made with respect to improvements at a single facility.

(2) No payments in excess of \$1,000,000 in the aggregate may be made with respect to improvements at a single facility.

(3) Payments may be made by the Department or used by a facility to offset the costs of NRC permitting fees for a capital improvement.

(4) Payments made by the Department to the Nuclear Regulatory Commission for permitting an improvement that can impact multiple facilities are not subject to the limitation in (b)(2).

(c) AUTHORIZATION.—There is authorized to be appropriated to carry out this section not more than \$20,000,000 in each fiscal year after fiscal year 2001.

**TITLE V—ARCTIC COASTAL PLAIN DOMESTIC ENERGY SECURITY ACT OF 2001**

**SEC. 4501. SHORT TITLE.**

This title may be cited as the “Arctic Coastal Plain Domestic Energy Security Act of 2001”.

**SEC. 4502. DEFINITIONS.**

When used in this title the term—

(1) “1002 Area” means that area identified as “Coastal Plain” in the map entitled “Arctic National Wildlife Refuge”, dated August 1980, as referenced in section 1002(b) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142(b)(1)) comprising approximately 1,549,000 acres; and

(2) “Secretary”, except as otherwise provided, means the Secretary of the Interior or the Secretary’s designee.

**SEC. 4503. LEASING PROGRAM FOR LANDS WITHIN THE ANWR 1002 AREA.**

(a) AUTHORIZATION.—Congress hereby authorizes and directs the Secretary, acting through the Bureau of Land Management in consultation with the Fish and Wildlife Service and other appropriate Federal offices and agencies, to take such actions as are necessary to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and pro-

duction of the oil and gas resources of the 1002 Area and to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations and other provisions that ensure the oil and gas exploration, development, and production activities on the 1002 Area will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, and shall 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 whenever practicable, on existing operations, and in a manner to ensure the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL.—The prohibitions and limitations contained in section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) are hereby repealed.

(c) COMPATIBILITY.—Congress hereby determines that the oil and gas leasing program and activities authorized by this section in the 1002 Area are compatible with the purposes for which the Arctic National Wildlife Refuge was established, and that no further findings or decisions are required to implement this determination.

(d) SOLE AUTHORITY.—This title shall be the sole authority for leasing on the 1002 Area: *Provided*, That nothing in this title shall be deemed to expand or limit State and local regulatory authority.

(e) FEDERAL LAND.—The 1002 Area shall be considered “Federal land” for the purposes of the Federal Oil and Gas Royalty Management Act of 1982.

(f) SPECIAL AREAS.—The Secretary, after consultation with the State of Alaska, City of Kaktovik, and the North Slope Borough, is authorized to designate up to a total of 45,000 acres of the 1002 Area as Special Areas and close such areas to leasing if the Secretary determines that these Special Areas are of such unique character and interest so as to require special management and regulatory protection. The Secretary may, however, permit leasing of all or portions of any Special Areas within the 1002 Area by setting lease terms that limit or condition surface use and occupancy by lessees of such lands but permit the use of horizontal drilling technology from sites on leases located outside the designated Special Areas.

(g) LIMITATION ON CLOSED AREAS.—The Secretary’s sole authority to close lands within the 1002 Area to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(h) CONVEYANCE.—In order to maximize Federal revenues by removing clouds on title of lands and clarifying land ownership patterns within the 1002 Area, the Secretary, notwithstanding the provisions of section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), is authorized and directed to convey (1) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 2 of Public Land Order 6959, to the extent necessary to fulfill the Corporation’s entitlement under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611), and (2) to the Arctic Slope Regional Corporation the subsurface estate beneath such surface estate pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

**SEC. 4504. RULES AND REGULATIONS.**

(a) PROMULGATION.—The Secretary shall prescribe such rules and regulations as may

be necessary to carry out the purposes and provisions of this title, including rules and regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and the environment of the 1002 Area. Such rules and regulations shall be promulgated not later than fourteen months after the date of enactment of this title and shall, as of their effective date, apply to all operations conducted under a lease issued or maintained under the provisions of this title and all operations on the 1002 Area related to the leasing, exploration, development and production of oil and gas.

(b) REVISION OF REGULATIONS.—The Secretary shall periodically review and, if appropriate, revise the rules and regulations issued under subsection (a) of this section to reflect any significant biological, environmental, or engineering data which come to the Secretary’s attention.

**SEC. 4505 ADEQUACY OF THE DEPARTMENT OF THE INTERIOR’S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.**

The “Final Legislative Environmental Impact Statement” (April 1987) prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (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)) is hereby found by Congress to be adequate to satisfy the legal and procedural requirements of the National Environmental Policy Act of 1969 with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of the leasing program authorized by this title, to conduct the first lease sale and any subsequent lease sale authorized by this title, and to grant rights-of-way and easements to carry out the purposes of this title.

**SEC. 4506. LEASE SALES.**

(a) LEASE SALES.—Lands may be leased pursuant to the provisions of this title 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 1002 Area for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale; and

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

(c) LEASE SALES ON 1002 AREA.—The Secretary shall, by regulation, provide for lease sales of lands on the 1002 Area. When lease sales are to be held, they shall occur after the nomination process provided for in subsection (b) of this section. For the first lease sale, the Secretary shall offer for lease those acres receiving the greatest number of nominations, but no less than 200,000 acres and no more than 300,000 acres shall be offered. If the total acreage nominated is less than 200,000 acres, the Secretary shall include in such sales any other acreage which he believes has the highest resource potential, but in no event shall more than 300,000 acres be offered in such sale. With respect to subsequent lease sales, the Secretary shall offer for lease no less than 200,000 acres of the 1002 Area. The initial lease sale shall be held within 20 months of the date of enactment of this title. The second lease sale shall be held not later than 2 years after the initial sale, with additional sales conducted not later than 1 year thereafter so long as sufficient interest in development exists to warrant, in the Secretary’s judgment, the conduct of such sales.

**SEC. 4507. GRANT OF LEASES BY THE SECRETARY.**

(a) **IN GENERAL.**—The Secretary is authorized to grant to the highest responsible qualified bidder by sealed competitive cash bonus bid any lands to be leased on the 1002 Area upon payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as may be fixed in the lease, which shall be not less than 12½ percent in amount or value of the production removed or sold from the lease.

(b) **ANTITRUST REVIEW.**—Following each notice of a proposed lease sale and before the acceptance of bids and the issuance of leases based on such bids, the Secretary shall allow the Attorney General, in consultation with the Federal Trade Commission, 30 days to perform an antitrust review of the results of such lease sale on the likely effects the issuance of such leases would have on competition and the Attorney General shall advise the Secretary with respect to such review, including any recommendation for the nonacceptance of any bid or the imposition of terms or conditions on any lease, as may be appropriate to prevent any situation inconsistent with the antitrust laws.

(c) **SUBSEQUENT TRANSFERS.**—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

(d) **IMMUNITY.**—Nothing in this title shall be deemed to convey to any person, association, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under any antitrust law.

(e) **DEFINITIONS.**—As used in this section, the term—

(1) “antitrust review” shall be deemed an “antitrust investigation” for the purposes of the Antitrust Civil Process Act (15 U.S.C. 1311 et seq.); and

(2) “antitrust laws” means the Acts referred to in section 1 of the Clayton Act (15 U.S.C. 12).

**SEC. 4508. LEASE TERMS AND CONDITIONS.**

An oil or gas lease issued pursuant to this title shall—

(1) be for a tract consisting of a compact area not to exceed 5,760 acres, or 9 surveyed or protracted sections which shall be as compact in form as possible;

(2) be for an initial period of 10 years and shall be extended for so long thereafter as oil or gas is produced in paying quantities from the lease or unit area to which the lease is committed or for so long as drilling or reworking operations, as approved by the Secretary, are conducted on the lease or unit area;

(3) require the payment of royalty as provided for in section 4507 of this title;

(4) require that exploration activities pursuant to any lease issued or maintained under this title shall be conducted in accordance with an exploration plan or a revision of such plan approved by the Secretary;

(5) require that all development and production pursuant to a lease issued or maintained pursuant to this title shall be conducted in accordance with development and production plans approved by the Secretary;

(6) require posting of bond as required by section 4509 of this title;

(7) provide that the Secretary may close, on a seasonal basis, portions of the 1002 Area to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife;

(8) contain such provisions relating to rental and other fees as the Secretary may prescribe at the time of offering the area for lease;

(9) provide that the Secretary may direct or assent to the suspension of operations and production under any lease granted under the terms of this title in the interest of conservation of the resource or where there is no available system to transport the resource. If such a suspension is directed or assented to by the Secretary, any payment of rental prescribed by such lease shall be suspended during such period of suspension of operations and production, and the term of the lease shall be extended by adding any such suspension period thereto;

(10) provide that whenever the owner of a nonproducing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be canceled by the Secretary if such default continues for more than thirty days after mailing of notice by registered letter to the lease owner at the lease owner's post office address of record;

(11) provide that whenever the owner of any producing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be forfeited and canceled by any appropriate proceeding brought by the Secretary in any United States district court having jurisdiction under the provisions of this title;

(12) provide that cancellation of a lease under this title shall in no way release the owner of the lease from the obligation to provide for reclamation of the lease site;

(13) allow the lessee, at the discretion of the Secretary, to make written relinquishment of all rights under any lease issued pursuant to this title. The Secretary shall accept such relinquishment by the lessee of any lease issued under this title where there has not been surface disturbance on the lands covered by the lease;

(14) provide that for the purpose of conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof, and in order to avoid the unnecessary duplication of facilities, to protect the environment of the 1002 Area, and to protect correlative rights, the Secretary shall require that, to the greatest extent practicable, lessees unite with each other in collectively adopting and operating under a cooperative or unit plan of development for operation of such pool, field, or like area, or any part thereof, and the Secretary is also authorized and directed to enter into such agreements as are necessary or appropriate for the protection of the United States against drainage;

(15) require that the holder of a lease or leases on lands within the 1002 Area shall be fully responsible and liable for the reclamation of those lands within and any other Federal lands adversely affected in connection with exploration, development, production or transportation activities on a lease within the 1002 Area by the holder of a lease or as a result of activities conducted on the lease by any of the leaseholder's subcontractors or agents;

(16) provide that the holder of a lease may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another party without the express written approval of the Secretary;

(17) provide that the standard of reclamation for lands required to be reclaimed under

this title be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary;

(18) contain the terms and conditions relating to protection of fish and wildlife, their habitat, and the environment, as required by section 4503(a) of this title;

(19) provide that the holder of a lease, its agents, and contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State;

(20) require project agreements to the extent feasible that will ensure productivity and consistency recognizing a national interest in both labor stability and the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under leases issued pursuant to this title; and

(21) contain such other provisions as the Secretary determines necessary to ensure compliance with the provisions of this title and the regulations issued under this title.

**SEC. 4509. BONDING REQUIREMENTS TO ENSURE FINANCIAL RESPONSIBILITY OF LESSEE AND AVOID FEDERAL LIABILITY.**

(a) **REQUIREMENT.**—The Secretary shall, by rule or regulation, establish such standards as may be necessary to ensure that an adequate bond, surety, or other financial arrangement will be established prior to the commencement of surface disturbing activities on any lease, to ensure the complete and timely reclamation of the lease tract, and the restoration of any lands or surface waters adversely affected by lease operations after the abandonment or cessation of oil and gas operations on the lease. Such bond, surety, or financial arrangement is in addition to, and not in lieu of, any bond, surety, or financial arrangement required by any other regulatory authority or required by any other provision of law.

(b) **AMOUNT.**—The bond, surety, or financial arrangement shall be in an amount—

(1) to be determined by the Secretary to provide for reclamation of the lease site in accordance with an approved or revised exploration or development and production plan; plus

(2) set by the Secretary consistent with the type of operations proposed, to provide the means for rapid and effective cleanup, and to minimize damages resulting from an oil spill, the escape of gas, refuse, domestic wastewater, hazardous or toxic substances, or fire caused by oil and gas activities.

(c) **ADJUSTMENT.**—In the event that an approved exploration or development and production plan is revised, the Secretary may adjust the amount of the bond, surety, or other financial arrangement to conform to such modified plan.

(d) **DURATION.**—The responsibility and liability of the lessee and its surety under the bond, surety, or other financial arrangement shall continue until such time as the Secretary determines that there has been compliance with the terms and conditions of the lease and all applicable laws.

(e) **TERMINATION.**—Within 60 days after determining that there has been compliance with the terms and conditions of the lease and all applicable laws, the Secretary, after

consultation with affected Federal and State agencies, shall notify the lessee that the period of liability under the bond, surety, or other financial arrangement has been terminated.

**SEC. 4510. OIL AND GAS INFORMATION.**

(a) IN GENERAL.—(1) Any lessee or permittee conducting any exploration for, or development or production of, oil or gas pursuant to this title shall provide the Secretary access to all data and information from any lease granted pursuant to this title (including processed and analyzed) obtained from such activity and shall provide copies of such data and information as the Secretary may request. Such data and information shall be provided in accordance with regulations which the Secretary shall prescribe.

(2) If processed and analyzed information provided pursuant to paragraph (1) is provided in good faith by the lessee or permittee, such lessee or permittee shall not be responsible for any consequence of the use or of reliance upon such processed and analyzed information.

(3) Whenever any data or information is provided to the Secretary, pursuant to paragraph (1)—

(A) by a lessee or permittee, in the form and manner of processing which is utilized by such lessee or permittee in the normal conduct of business, the Secretary shall pay the reasonable cost of reproducing such data and information; or

(B) by a lessee or permittee, in such other form and manner of processing as the Secretary may request, the Secretary shall pay the reasonable cost of processing and reproducing such data and information.

(b) REGULATIONS.—The Secretary shall prescribe regulations to:

(1) ensure that the confidentiality of privileged or proprietary information received by the Secretary under this section will be maintained; and

(2) set forth the time periods and conditions which shall be applicable to the release of such information.

**SEC. 4511. EXPEDITED JUDICIAL REVIEW.**

(a) Any complaint seeking judicial review of any provision in this title, or any other action of the Secretary under this title may be filed in any appropriate district court of the United States, and such complaint must be filed within ninety days from the date of the action being challenged, or after such date if such complaint is based solely on grounds arising after such ninetieth day, in which case the complaint must be filed within ninety days after the complainant knew or reasonably should have known of the grounds for the complaint: *Provided*, That any complaint seeking judicial review of an action of the Secretary in promulgating any regulation under this title may be filed only in the United States Court of Appeals for the District of Columbia.

(b) Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

**SEC. 4512. RIGHTS-OF-WAY ACROSS THE 1002 AREA.**

Notwithstanding title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.), the Secretary is authorized and directed to grant, in accordance with the provisions of subsections (c) through (t) and (v) through (y) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), rights-of-way and easements across the 1002 Area for the transportation of oil and gas under such terms and conditions as may

be necessary so as not to result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the 1002 Area. Such terms and conditions shall include requirements that facilities be sited or modified so as to avoid unnecessary duplication of roads and pipelines. The regulations issued as required by section 4504 of this title shall include provisions granting rights-of-way and easements across the 1002 Area.

**SEC. 4513. ENFORCEMENT OF SAFETY AND ENVIRONMENTAL REGULATIONS TO ENSURE COMPLIANCE WITH TERMS AND CONDITIONS OF LEASE.**

(a) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall diligently enforce all regulations, lease terms, conditions, restrictions, prohibitions, and stipulations promulgated pursuant to this title.

(b) RESPONSIBILITY OF HOLDERS OF LEASE.—It shall be the responsibility of any holder of a lease under this title to—

(1) maintain all operations within such lease area in compliance with regulations intended to protect persons and property on, and fish and wildlife, their habitat, subsistence resources, and the environment of, the 1002 Area; and

(2) allow prompt access at the site of any operations subject to regulation under this title to any appropriate Federal or State inspector, and to provide such documents and records which are pertinent to occupational or public health, safety, or environmental protection, as may be requested.

(c) ON-SITE INSPECTION.—The Secretary shall promulgate regulations to provide for—

(1) scheduled onsite inspection by the Secretary, at least twice a year, of each facility on the 1002 Area which is subject to any environmental or safety regulation promulgated pursuant to this title or conditions contained in any lease issued pursuant to this title to ensure compliance with such environmental or safety regulations or conditions; and

(2) periodic onsite inspection by the Secretary at least once a year without advance notice to the operator of such facility to ensure compliance with all environmental or safety regulations.

**SEC. 4514. NEW REVENUES.**

(a) DEPOSIT INTO TREASURY.—Notwithstanding any other provision of law, all revenues received by the Federal Government from competitive bids, sales, bonuses, royalties, rents, fees, or interest derived from the leasing of oil and gas within the 1002 Area shall be deposited into the Treasury of the United States, solely as provided in this section. The Secretary of the Treasury shall pay to the State of Alaska the same percentage of such revenues as is set forth under the heading “EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA” in Public Law 96-514 (94 Stat. 2957, 2964) semi-annually to the State of Alaska, on March 30 and September 30 of each year and shall deposit the balance of all such revenues as miscellaneous receipts in the Treasury. Notwithstanding any other provision of law, the Secretary of the Treasury shall monitor the total revenue deposited into the Treasury as miscellaneous receipts from oil and gas leases issued under the authority of this subtitle and shall deposit amounts received as bonus bids into a special fund established in the Treasury of the United States known as the Renewable Energy Research and Development Fund (referred to in this section as the “Renewable Energy Fund”).

(b) USE OF RENEWABLE ENERGY FUND.—Of the amounts in the Renewable Energy Fund,

an amount equal to ten percent of the total deposits shall be made available to the Secretary of Energy, without further appropriation, at the beginning of each fiscal year in which amounts are available, and may be expended by the Secretary of Energy for research and development of renewable domestic energy resources of wind, solar, biomass, geothermal and hydroelectric. Such amounts shall remain available until expended and shall be in addition to funds appropriated in the preceding fiscal year to the Secretary of Energy for renewable energy research, development and demonstration programs authorized by section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5813). The Secretary of Energy shall develop procedures for the use of the Renewable Energy Fund that ensure accountability and demonstrated results. Beginning the first full fiscal year after deposits are made into the Renewable Energy Fund, the Secretary of Energy shall submit an annual report to the Committee on Energy and Natural Resources of the United States Senate and the appropriate committees of the United States House of Representatives detailing the use of any expenditures.

**TITLE VI—ENERGY EFFICIENCY, CONSERVATION, AND ASSISTANCE TO LOW-INCOME FAMILIES**

**SEC. 4601. EXTENSION OF LOW INCOME HOME ENERGY ASSISTANCE PROGRAM.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2602(b) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621), is amended by striking “such sums as may be necessary for each of fiscal years 2000 and 2001, and \$2,000,000,000 for each of fiscal years 2002 through 2004” and inserting “\$3,000,000,000 for each of fiscal years 2000 through 2010”.

(b) PAYMENTS TO STATES.—Section 2602(d)(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621) is amended by striking “2004” and inserting “2010”.

(c) EMERGENCY FUNDS.—Section 2602(e) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621), is amended by striking “\$600,000,000” and inserting “\$1,000,000,000”.

**SEC. 4602. ENERGY EFFICIENT SCHOOLS PROGRAM.**

(a) ESTABLISHMENT.—There is established in the Department of Energy the Energy Efficient Schools Program (referred to in this section as the “Program”).

(b) IN GENERAL.—The Secretary of Energy may, through the Program, make grants to—

(1) be provided to school districts to implement the purpose of this section;

(2) administer the program of assistance to school districts pursuant to this section; and

(3) promote participation by school districts in the program established by this section.

(c) GRANTS TO ASSIST SCHOOL DISTRICTS.—Grants under subsection (b)(1) shall be used to achieve energy efficiency performance not less than 30 percent beyond the levels prescribed in the 1998 International Energy Conservation Code as it is in effect for new construction and existing buildings. Grants under such subsection shall be made to school districts that have—

(1) demonstrated a need for such grants in order to respond appropriately to increasing elementary and secondary school enrollments or to make major investments in renovation of school facilities;

(2) demonstrated that the districts do not have adequate funds to respond appropriately to such enrollments or achieve such investments without assistance; and

(3) made a commitment to use the grant funds to develop energy efficient school



buildings in accordance with the plan developed and approved pursuant to subsection (e)(1).

(d) OTHER GRANTS.—

(1) GRANTS FOR ADMINISTRATION.—Grants under subsection (b)(2) shall be used to evaluate compliance by school districts with the requirements of this section and in addition may be used for—

(A) distributing information and materials to clearly define and promote the development of energy efficient school buildings for both new and existing facilities;

(B) organizing and conducting programs for school board members, school district personnel, architects, engineers, and others to advance the concepts of energy efficient school buildings;

(C) obtaining technical services and assistance in planning and designing energy efficient school buildings; and

(D) collecting and monitoring data and information pertaining to the energy efficient school building projects.

(2) GRANTS TO PROMOTE PARTICIPATION.—Grants under subsection (b)(3) may be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy service companies, working with school administrations, students, and communities, and coordinating public benefit programs.

(e) IMPLEMENTATION.—

(1) PLANS.—Grants under subsection (b) shall be provided only to school districts that, in consultation with State offices of energy and education, have developed plans that the State energy office determines to be feasible and appropriate in order to achieve the purposes for which such grants were made.

(2) SUPPLEMENTING GRANT FUNDS.—The State agency referred to in paragraph (1) shall encourage qualifying school districts to supplement their grant funds with funds from other sources in the implementation of their plans.

(f) ALLOCATION OF FUNDS.—Except as provided in subsection (c), funds appropriated for the implementation of this section shall be provided to State energy offices to administer the program of assistance to school districts under this section.

(g) PURPOSES.—Except as provided in subsection (c), funds appropriated under this section shall be allocated as follows:

(1) Seventy percent shall be used to make grants under subsection (b)(1).

(2) Fifteen percent shall be used to make grants under subsection (b)(2).

(3) Fifteen percent shall be used to make grants under subsection (b)(3).

(h) OTHER FUNDS.—The Secretary of Energy may, through the Program established under subsection (a), retain an amount, not exceed \$300,000 per year, to assist State energy offices in coordinating and implementing such Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve energy efficient school buildings.

(i) AUTHORIZATION OF APPROPRIATIONS.—For this section, there are authorized to be appropriated \$200,000,000 for each of fiscal years 2002 through 2005, and such sums as may be necessary for each of fiscal years 2006 through 2011.

(j) DEFINITIONS.—

(1) ELEMENTARY AND SECONDARY SCHOOL.—The terms “elementary school” and “secondary school” shall have the same meaning given such terms in paragraphs (14) and (25) of section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14),(25)).

(2) ENERGY EFFICIENT SCHOOL BUILDING.—The term “energy efficient school building” refers to a school building which, in its design, construction, operation, and maintenance maximizes use of renewable energy and efficient energy practices, is cost-effective on a life-cycle basis, uses affordable, environmentally preferable, durable materials, enhances indoor environmental quality, protects and conserves water, and optimizes site potential.

(3) RENEWABLE ENERGY.—The term “renewable energy” means energy produced by solar, wind, geothermal, hydroelectric power, and biomass power.

**SEC. 4603. AMENDMENTS TO WEATHERIZATION ASSISTANCE PROGRAM.**

(a) ELIGIBILITY.—Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6862(7)) is amended—

(1) in paragraph (7)(A), by striking “125” and inserting “150”; and

(2) in paragraph (7)(C), by striking “125” and inserting “150”.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 422(a) of the Energy Conservation and Production Act (42 U.S.C. 6872(a)) is amended—

(1) by striking “\$200,000,000” and inserting “\$250,000,000”; and

(2) by striking “1991” and all that follows through “1994.” and inserting “2002, \$325,000,000 for fiscal year 2003, \$400,000,000 for fiscal year 2004, \$500,000,000 for fiscal year 2005, and such sums as are necessary for each fiscal year thereafter.”.

**SEC. 4604. AMENDMENTS TO STATE ENERGY PROGRAM.**

(a) STATE ENERGY CONSERVATION PLANS.—Section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by—

(1) redesignating subsection (f) as subsection (g); and

(2) inserting after subsection (e) the following:

“(f) The Secretary shall, at least once every 3 years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of such State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities and actions carried out in pursuit of common energy conservation goals.”.

(b) STATE ENERGY EFFICIENCY GOALS.—Section 364 of the Energy Policy and Conservation Act (42 U.S.C. 6324) is amended—

(1) by striking “October 1, 1991” and inserting “January 1, 2001”; and

(2) by striking “10” and inserting “25”; and

(3) by striking “2000” and inserting “2010”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 365(f)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)(1)) is amended by striking “and” and all that follows through “1993.” and inserting “\$45,000,000 for fiscal year 1993, \$75,000,000 for fiscal year 2002, \$100,000,000 for fiscal years 2003 and 2004, \$125,000,000 for fiscal year 2005, and such sums as are necessary for each fiscal year thereafter.”.

**SEC. 4605. ENHANCEMENT AND EXTENSION OF AUTHORITY RELATING TO FEDERAL ENERGY SAVINGS PERFORMANCE CONTRACTS.**

(a) ENERGY SAVINGS THROUGH CONSTRUCTION OF REPLACEMENT FACILITIES.—Section 804 of the National Energy Conservation Policy Act (42 U.S.C. 8287c) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting “(A)” after “(2)”; and

(C) by adding at the end the following:

“(B) The term ‘energy savings’ also means a reduction in the cost of energy, from such a base cost established through a methodology set forth in the contract, that would otherwise be utilized in 1 or more existing federally owned buildings or other federally owned facilities by reason of the construction and operation of 1 or more new buildings or facilities.”; and

(2) in paragraph (3), by inserting after the first sentence the following: “The terms also mean a contract that provides for energy savings through the construction or operation of 1 or more new buildings or facilities.”.

(b) COST SAVINGS FROM OPERATION AND MAINTENANCE EFFICIENCIES IN REPLACEMENT FACILITIES.—Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

“(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of 1 or more buildings or facilities to replace 1 or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at new and/or additional buildings or facilities, from a base cost of operation and maintenance established through a methodology set forth in the contract.

“(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in that subparagraph.”.

(c) 5-YEAR EXTENSION OF AUTHORITY.—Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking “October 1, 2003” and inserting “October 1, 2008”.

(d) UTILITY INCENTIVE PROGRAMS.—Section 546(e) of the National Energy Conservation Policy Act (42 U.S.C. 8256(e)) is amended—

(1) in paragraph (3), by adding at the end the following: “Such a utility incentive program may include a contract or contract term designed to provide for cost-effective electricity demand management, energy efficiency, or water conservation. Notwithstanding section 201(a)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)(3)), such contracts or contract terms may be made for periods not exceeding 25 years.”; and

(2) by adding at the end the following:

“(6) A utility incentive program may include a contract or contract term for a reduction in the cost of energy, from a base cost established through a methodology set forth in such a contract, that would otherwise be utilized in 1 or more federally owned buildings or other federally owned facilities by reason of the construction or operation of 1 or more buildings or facilities, as well as benefits ancillary to the purpose of such contract or contract term, including savings resulting from reduced costs of operation and maintenance at new and/or additional buildings or facilities when compared with the costs of operation and maintenance at existing buildings or facilities.”.

**SEC. 4606. FEDERAL ENERGY EFFICIENCY REQUIREMENT.**

(a) IN GENERAL.—Through cost-effective measures, each agency shall reduce energy

consumption per gross square foot of its facilities by 30 percent by 2010 and 50 percent by 2020 relative to 1990.

(b) IMPLEMENTATION PLAN.—Not later than 1 year after date of enactment of this section, each agency shall develop and submit to Congress and the President an implementation plan for fulfilling the requirements of this section.

(c) ANNUAL REPORT.—

(1) IN GENERAL.—Each agency shall measure and report annually to Congress and the President its progress in meeting the requirements of this section.

(2) GUIDELINES.—The Secretary of Energy, in consultation with the Administrator of the Energy Information Administration, shall develop and issue guidelines for agencies' preparation of their annual report, including guidance on how to measure energy consumption in Federal facilities.

(d) EXEMPTION OF CERTAIN FACILITIES.—A facility may be deemed exempt when the Secretary determines that compliance with the Energy Policy Act of 1992 is not practical for that particular facility. Not later than 1 year from date of enactment, the Secretary shall, in consultation with the Administrator of the Energy Information Administration, set guidelines for agencies to use in excluding certain kinds of facilities to meet the requirements of this section.

(e) APPLICABILITY.—The Department of Defense is subject to this order only to the extent that it does not impair or adversely affect military operations and training (including tactical aircraft, ships, weapons systems, combat training, and border security).

(f) DEFINITIONS.—For the purposes of this section—

(1) "agency" means an executive agency as defined in 5 U.S.C. 105. Military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.

(2) "facility" means any individual building or collection of buildings, grounds, or structure, as well as any fixture or part thereof, including the associated energy or water-consuming support systems, which is constructed, renovated, or purchased in whole or in part for use by the Federal Government. It includes leased facilities where the Federal Government has a purchase option or facilities planned for purchase. In any provision of this order, the term "facility" also includes any building 100 percent leased for use by the Federal Government where the Federal Government pays directly or indirectly for the utility costs associated with its leased space, and Government-owned contractor-operated facilities.

**SEC. 4607. ENERGY EFFICIENCY SCIENCE INITIATIVE.**

There are authorized to be appropriated \$25,000,000 for fiscal year 2001 and such sums as are necessary for each fiscal year thereafter, but not to exceed \$50,000,000 in any fiscal year, for an Energy Efficiency Science Initiative to be managed by the Assistant Secretary for Energy Efficiency and Renewable Energy in consultation with the Director of the Office of Science, for grants to be competitively awarded and subject to peer review for research relating to energy efficiency. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations of the United States House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States Senate, an annual report on the activities of the Energy Efficiency Science Initiative, including a description of the process used to award the funds and an

explanation of how the research relates to energy efficiency.

**TITLE VII—ALTERNATIVE FUELS AND RENEWABLE ENERGY**

**Subtitle A—Alternative Fuels**

**SEC. 4701. EXCEPTION TO HOV PASSENGER REQUIREMENTS FOR ALTERNATIVE FUEL VEHICLES.**

Section 102(a)(1) of title 23, United States Code, is amended by inserting "(unless, at the discretion of the State transportation department, the vehicle operates on, or is fueled by, an alternative fuel (as defined in section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211)))" after "required".

**SEC. 4702. ALTERNATIVE FUEL VEHICLE CREDITS FOR INSTALLATION OF QUALIFYING INFRASTRUCTURE.**

Section 508 of the Energy Policy Act of 1992 (42 U.S.C. 13258) is amended by adding at the end the following:

"(e) CREDIT FOR ACQUISITION OR INSTALLATION OF QUALIFYING INFRASTRUCTURE.—The Secretary shall allocate an infrastructure credit to a fleet or covered person that is required to acquire an alternative fueled vehicle under this title, or to a Federal fleet as defined by section 303(b)(3) of title III of this Act, for the acquisition or installation of the fuel or the needed infrastructure, including the supply and delivery systems, necessary to operate or maintain the alternative fueled vehicle. Such necessary infrastructure shall include—

"(1) equipment required to refuel or recharge the alternative fueled vehicle;

"(2) facilities or equipment required to maintain, repair or operate the alternative fueled vehicle;

"(3) training programs, educational materials or other activities necessary to provide information regarding the operation, maintenance or benefits associated with the alternative fueled vehicle; and

"(4) such other activity as the Secretary deems an appropriate expenditure in support of the operation, maintenance or further wide spread adoption or utilization of the alternative fueled vehicle.

"(f) QUALIFYING INFRASTRUCTURE CREDIT.—The term 'infrastructure credit' shall mean—

"(1) that equipment or activity defined in subsection (e) above; and

"(2) be equivalent in cost to the acquisition of an alternative fueled vehicle for which the expenditure on the infrastructure is made.

"(g) LIMITATION ON NUMBER OF INFRASTRUCTURE CREDITS ISSUED.—Each fleet or covered person that is required to acquire an alternative fueled vehicle under this title, or each Federal fleet as defined by section 303(b)(3) of title III of this Act, shall be limited in the number of infrastructure credits that may be acquired and used to meet the alternative fueled vehicle requirements of this Act to no more than the equivalent of ½ of the alternative fueled vehicles required per annum."

**SEC. 4703. STATE AND LOCAL GOVERNMENT USE OF FEDERAL ALTERNATIVE FUEL REFUELING FACILITIES.**

Section 304 of the Energy Policy Act of 1992 (42 U.S.C. 13213) is amended by adding at the end the following:

"(c) STATE AND LOCAL GOVERNMENT OWNED VEHICLES.—Federal agencies may include any alternative fuel vehicles owned by States or local governments in any commercial arrangements for the purpose of fueling Federal alternative fueled vehicles as authorized under subsection (a) of this section. The Secretary may allocate equivalent infrastructure credits to a Federal fleet as defined by section 303(b)(3) of title III of this Act, for

the inclusion of such vehicles in any such commercial fueling arrangements."

**SEC. 4704. FEDERAL FLEET FUEL ECONOMY AND USE OF ALTERNATIVE FUELS.**

(a) FUEL ECONOMY.—Through cost-effective measures, each agency shall increase the average EPA fuel economy rating of passenger cars and light trucks acquired by at least 3 miles per gallon by the end of fiscal year 2005 compared to acquisitions in fiscal year 2000.

(b) USE OF ALTERNATIVE FUELS.—Through cost-effective measures, each agency shall, by the end of fiscal year 2005, use alternative fuels for at least 50 percent of the total annual volume of fuel used by the agency. No more than 25 percent of fuel purchased by State and local governments at federally-owned refueling facilities may be included by an agency in meeting the requirement of this section.

(c) IMPLEMENTATION PLAN.—Not later than 1 year after date of enactment of this section, each agency shall develop and submit to Congress and the President an implementation plan for fulfilling the requirements of this section. Each agency should develop an implementation plan that meets its unique fleet configuration and fleet requirements.

(d) ANNUAL REPORT.—

(1) IN GENERAL.—Each agency shall measure and report annually to Congress and the President its progress in meeting the requirements of this section.

(2) GUIDELINES.—The Secretary of Energy, through the Federal Energy Management Program and in consultation with the Administrator of the Energy Information Administration, shall develop and issue guidelines for agencies' preparation of their annual report, including guidance on how to measure fuel economy for the collection and annual reporting of data to demonstrate compliance with the requirements of this section.

(e) APPLICABILITY.—This order applies to each Federal agency operating 20 or more motor vehicles within the United States.

(f) EXEMPTION OF CERTAIN VEHICLES.—Department of Defense military tactical vehicles are exempt from this order. Law enforcement, emergency, and any other vehicle class or type determined by the Secretary, in consultation with the Federal Energy Management Program, are exempted from the requirements of this section. Not later than 1 year from date of enactment, the Secretary shall, in consultation with the Federal Energy Management Program, set guidelines for agencies to use in the determination of exemptions.

(g) DEFINITIONS.—In this section:

(1) AGENCY.—The term "agency" means an executive agency as defined in 5 U.S.C. 105. (Military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.)

(2) ALTERNATIVE FUEL.—The term "alternative fuel" means any fuel defined as an alternative fuel pursuant to section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211).

(h) CONFORMING AMENDMENTS.—Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended as follows:

(1) in subsection (a)(3)(E), by striking the period at the end and inserting the following: " , except that, not later than fiscal year 2005 at least 50 percent of the total annual volume of fuel used must be from alternative fuels." ; and

(2) in subsection (g)(4)(B), after the words, "solely on alternative fuel", insert the words " , including a 3-wheeled enclosed electric vehicle having a VIN number".

**SEC. 4705. LOCAL GOVERNMENT GRANT PROGRAM.**

(a) **ESTABLISHMENT.**—Within 1 year of date of enactment of this section, the Secretary of Energy shall establish a program for making grants to local governments for covering the incremental cost of qualified alternative fuel motor vehicles.

(b) **CRITERIA.**—In deciding to whom grants shall be made under this subsection, the Secretary of Energy shall consider the goal of assisting the greatest number of applicants, provided that no grant award shall exceed \$1,000,000.

(c) **PRIORITIES.**—Priority shall be given under this section to those local government fleets where the use of alternative fuels would have a significant beneficial effect on energy security and the environment.

(d) **QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE DEFINED.**—For purposes of this section, the term “qualified motor vehicle” means any motor vehicle which is capable of operating only on an alternative fuel.

(e) **INCREMENTAL COST.**—For purposes of this section, the incremental cost of any qualified alternative fuel motor vehicle is equal to the amount of the excess of the manufacturer’s suggested retail price for such vehicle over such price for a gasoline or diesel motor vehicle of the same model.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—For the purposes of this section, there are authorized to be appropriated \$100,000,000 annually for each of the fiscal years 2002 through 2006.

**Subtitle B—Renewable Energy****SEC. 4710. RESIDENTIAL RENEWABLE ENERGY GRANT PROGRAM.**

(a) **IN GENERAL.**—The Secretary of Energy shall develop and implement a grant program to offset a portion of the total cost of certain eligible residential renewable energy systems.

(b) **ELIGIBILITY.**—Grants may be awarded for—

(1) the new installation of an eligible residential renewable energy system for an existing dwelling unit;

(2) the purchase of an existing dwelling unit with an eligible residential renewable energy system that was installed prior to the date of enactment of this section;

(3) the addition to or augmentation of an existing eligible residential renewable energy system installed on a dwelling unit prior to the date of enactment of this section, provided that any such addition or augmentation results in additional electricity, heat, or other useful energy; or

(4) the construction of a new home or rental property which includes an eligible residential renewable energy system.

(c) **TOTAL COST.**—

(1) **IN GENERAL.**—For purposes of this section, “total cost” means expenditure of funds for—

(A) any equipment whose primary purpose is to provide for the collection, conversion, transfer, distribution, storage or control of electricity or heat generated from renewable energy;

(B) installation charges;

(C) labor costs properly allocable to the on-site preparation, assembly, or original installation of the system; and

(D) piping or wiring to interconnect such system to the dwelling unit.

(2) **LEASED SYSTEMS.**—In the case of a system that is leased, “total cost” means the principal recovery portion of all lease payments scheduled to be made during the full term of the lease, excluding interest charges and maintenance expenses.

(3) **EXISTING SYSTEMS.**—In the case of addition to or augmentation of an existing system, “total cost” shall include only those expenditures related to the incremental cost of the addition or augmentation, and not the full cost of the system.

(d) **COST BUY-DOWN.**—Grants provided under this section shall not exceed \$3,000 per eligible residential renewable energy system, and shall be limited further as follows:

(1) For fiscal years 2002 and 2003, grants provided under this section shall be limited to the smaller of—

(A) 50 percent of the total cost of the energy system; or

(B) \$3.00 per watt of system electricity output or equivalent.

(2) For fiscal years 2004 and 2005, grants provided under this section shall be limited to the smaller of—

(A) 40 percent of the total cost of the energy system; or

(B) \$2.50 per watt of system electricity output.

(3) For fiscal years 2006 and 2007, grants provided under this section shall be limited to the smaller of—

(A) 30 percent of the total cost of the energy system; or

(B) \$2.00 per watt of system electricity output.

(4) For fiscal years 2008 and 2009, grants provided under this section shall be limited to the smaller of—

(A) 20 percent of the total cost of the energy system; or

(B) \$1.50 per watt of system electricity output.

(5) For fiscal years 2010 and 2011, grants provided under this section shall be limited to the smaller of—

(A) 10 percent of the total cost of the energy system; or

(B) \$1.00 per watt of system electricity output.

(e) **LIMITATIONS.**—No grant shall be allowed under this section for an eligible residential renewable energy system unless—

(1) such expenditure is made for property installed on or in connection with a dwelling unit which is located in the United States and which is used as a residence;

(2) in the case of solar water heating equipment, such equipment is certified for performance and safety by the nonprofit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the State in which such property is installed; and

(3) such system meets appropriate fire and electric code requirements.

(f) **RENEWABLE ENERGY.**—

(1) **DEFINITIONS.**—In this subsection:

(A) **FORM OF RENEWABLE ENERGY.**—The term “form of renewable energy” means energy produced through the use of—

(i) a solar thermal system;

(ii) a solar photovoltaic system;

(iii) wind;

(iv) biomass;

(v) a hydroelectric system; or

(vi) a source of geothermal energy.

(B) **RENEWABLE ENERGY SYSTEM.**—The term “renewable energy system” means property that uses a form of renewable energy to create electricity, heat, or any other form of useful energy.

(2) **SOLAR PANELS.**—No expenditure relating to a solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as property described in paragraph (1) solely because it constitutes a structural component of the structure on which it is installed.

(3) **ENERGY STORAGE MEDIUM.**—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

(g) **SPECIAL RULES.**—For purposes of this section:

(1) **TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.**—In the case of an individual who is a tenant-stockholder (as defined in 26 U.S.C. 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder’s proportionate share (as defined in 26 U.S.C. 216(b)(3)) of any expenditures of such corporation.

(2) **CONDOMINIUMS.**—

(A) **IN GENERAL.**—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

(B) **CONDOMINIUM MANAGEMENT ASSOCIATION.**—For purposes of this paragraph, the term “condominium management association” means an organization which meets the requirements of paragraph (1) of 26 U.S.C. 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

(3) **RENEWABLE ENERGY SYSTEMS FOR MULTIPLE DWELLINGS.**—

(A) **IN GENERAL.**—Any expenditure otherwise qualifying as an expenditure described in paragraph (1) of subsection (c) shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.

(B) **LIMITS APPLIED SEPARATELY.**—In the case of any expenditure described in subparagraph (A), the amount of the grant available under subsection (d) shall be computed separately with respect to the amount of the expenditure made for each dwelling unit.

(h) **ANNUAL REPORT.**—The Secretary shall submit to Congress and the President an annual report on grants distributed pursuant to this section. The report shall include, at minimum—

(1) a summary of the eligible residential renewable energy systems receiving grants in the year just concluded;

(2) an estimate of new renewable energy generation installed as a result of grants awarded, and its distribution by renewable energy source and geographic location;

(3) evidence that the program is contributing to declining costs for renewable energy technologies; and

(4) description of the methods used to award such grants.

(i) **AUTHORIZATION OF APPROPRIATIONS.**—For the purposes of this section, there are authorized to be appropriated \$30,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter, but not to exceed \$150,000,000 in any fiscal year.

**SEC. 4711. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.**

(a) **IN GENERAL.**—Not later than twelve months after the date of enactment of this section, the Secretary of Energy shall submit to Congress an assessment of all renewable energy resources available within the United States.

(b) **RESOURCE ASSESSMENT.**—Such report shall include a detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric and other renewable energy sources,

and an estimate of the costs needed to develop each resource. The report shall also include such other information as the Secretary of Energy believes would be useful in siting renewable energy generation, such as appropriate terrain, population and load centers, nearby energy infrastructure, and location of energy and water resources.

(c) AVAILABILITY.—The information and cost estimates in this report shall be updated annually and made available to the public, along with the data used to create the report.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this section, there are authorized to be appropriated \$10,000,000 for fiscal years 2002 through 2006.

#### Subtitle C—Hydroelectric Licensing Reform

##### SEC. 4721. SHORT TITLE.

This subtitle may be cited as the “Hydroelectric Licensing Process Improvement Act of 2001”.

##### SEC. 4722. FINDINGS.

Congress finds that—

(1) hydroelectric power is an irreplaceable source of clean, economic, renewable energy with the unique capability of supporting reliable electric service while maintaining environmental quality;

(2) hydroelectric power is the leading renewable energy resource of the United States;

(3) hydroelectric power projects provide multiple benefits to the United States, including recreation, irrigation, flood control, water supply, and fish and wildlife benefits;

(4) in the next 15 years, the bulk of all non-Federal hydroelectric power capacity in the United States is due to be relicensed by the Federal Energy Regulatory Commission;

(5) the process of licensing hydroelectric projects by the Commission—

(A) does not produce optimal decisions, because the agencies that participate in the process are not required to consider the full effects of their mandatory and recommended conditions on a license;

(B) is inefficient, in part because agencies do not always submit their mandatory and recommended conditions by a time certain;

(C) is burdened by uncoordinated environmental reviews and duplicative permitting authority; and

(D) is burdensome for all participants and too often results in litigation; and

(6) while the alternative licensing procedures available to applicants for hydroelectric project licenses provide important opportunities for the collaborative resolution of many of the issues in hydroelectric project licensing, those procedures are not appropriate in every case and cannot substitute for statutory reforms of the hydroelectric licensing process.

##### SEC. 4723. PURPOSE.

The purpose of this subtitle is to achieve the objective of relicensing hydroelectric power projects to maintain high environmental standards while preserving low cost power by—

(1) requiring agencies to consider the full effects of their mandatory and recommended conditions on a hydroelectric power license and to document the consideration of a broad range of factors;

(2) requiring the Federal Energy Regulatory Commission to impose deadlines by which Federal agencies must submit proposed mandatory and recommended conditions to a license; and

(3) making other improvements in the licensing process.

##### SEC. 4724. PROCESS FOR CONSIDERATION BY FEDERAL AGENCIES OF CONDITIONS TO LICENSES.

(a) IN GENERAL.—Part I of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding at the end the following:

##### “SEC. 33. PROCESS FOR CONSIDERATION BY FEDERAL AGENCIES OF CONDITIONS TO LICENSES.

“(a) DEFINITIONS.—In this section:

“(1) CONDITION.—The term ‘condition’ means—

“(A) a condition to a license for a project on a Federal reservation determined by a consulting agency for the purpose of the first proviso of section 4(e); and

“(B) a prescription relating to the construction, maintenance, or operation of a fishway determined by a consulting agency for the purpose of the first sentence of section 18.

“(2) CONSULTING AGENCY.—The term ‘consulting agency’ means—

“(A) in relation to a condition described in paragraph (1)(A), the Federal agency with responsibility for supervising the reservation; and

“(B) in relation to a condition described in paragraph (1)(B), the Secretary of the Interior or the Secretary of Commerce, as appropriate.

“(b) FACTORS TO BE CONSIDERED.—

“(1) IN GENERAL.—In determining a condition, a consulting agency shall take into consideration—

“(A) the impacts of the condition on—

“(i) economic and power values;

“(ii) electric generation capacity and system reliability;

“(iii) air quality (including consideration of the impacts on greenhouse gas emissions); and

“(iv) drinking, flood control, irrigation, navigation, or recreation water supply;

“(B) compatibility with other conditions to be included in the license, including mandatory conditions of other agencies, when available; and

“(C) means to ensure that the condition addresses only direct project environmental impacts, and does so at the lowest project cost.

“(2) DOCUMENTATION.—

“(A) IN GENERAL.—In the course of the consideration of factors under paragraph (1) and before any review under subsection (e), a consulting agency shall create written documentation detailing, among other pertinent matters, all proposals made, comments received, facts considered, and analyses made regarding each of those factors sufficient to demonstrate that each of the factors was given full consideration in determining the condition to be submitted to the Commission.

“(B) SUBMISSION TO THE COMMISSION.—A consulting agency shall include the documentation under subparagraph (A) in its submission of a condition to the Commission.

“(c) SCIENTIFIC REVIEW.—

“(1) IN GENERAL.—Each condition determined by a consulting agency shall be subjected to appropriately substantiated scientific review.

“(2) DATA.—For the purpose of paragraph (1), a condition shall be considered to have been subjected to appropriately substantiated scientific review if the review—

“(A) was based on current empirical data or field-tested data; and

“(B) was subjected to peer review.

“(d) RELATIONSHIP TO IMPACTS ON FEDERAL RESERVATION.—In the case of a condition for the purpose of the first proviso of section 4(e), each condition determined by a con-

sulting agency shall be directly and reasonably related to the impacts of the project within the Federal reservation.

“(e) ADMINISTRATIVE REVIEW.—

“(1) OPPORTUNITY FOR REVIEW.—Before submitting to the Commission a proposed condition, and at least 90 days before a license applicant is required to file a license application with the Commission, a consulting agency shall provide the proposed condition to the license applicant and offer the license applicant an opportunity to obtain expedited review before an administrative law judge or other independent reviewing body of—

“(A) the reasonableness of the proposed condition in light of the effect that implementation of the condition will have on the energy and economic values of a project; and

“(B) compliance by the consulting agency with the requirements of this section, including the requirement to consider the factors described in subsection (b)(1).

“(2) COMPLETION OF REVIEW.—

“(A) IN GENERAL.—A review under paragraph (1) shall be completed not more than 180 days after the license applicant notifies the consulting agency of the request for review.

“(B) FAILURE TO MAKE TIMELY COMPLETION OF REVIEW.—If review of a proposed condition is not completed within the time specified by subparagraph (A), the Commission may treat a condition submitted by the consulting agency as a recommendation is treated under section 10(j).

“(3) REMAND.—If the administrative law judge or reviewing body finds that a proposed condition is unreasonable or that the consulting agency failed to comply with any of the requirements of this section, the administrative law judge or reviewing body shall—

“(A) render a decision that—

“(i) explains the reasons for a finding that the condition is unreasonable and may make recommendations that the administrative law judge or reviewing body may have for the formulation of a condition that would not be found unreasonable; or

“(ii) explains the reasons for a finding that a requirement was not met and may describe any action that the consulting agency should take to meet the requirement; and

“(B) remand the matter to the consulting agency for further action.

“(4) SUBMISSION TO THE COMMISSION.—Following administrative review under this subsection, a consulting agency shall—

“(A) take such action as is necessary to—

“(i) withdraw the condition;

“(ii) formulate a condition that follows the recommendation of the administrative law judge or reviewing body; or

“(iii) otherwise comply with this section; and

“(B) include with its submission to the Commission of a proposed condition—

“(i) the record on administrative review; and

“(ii) documentation of any action taken following administrative review.

“(f) SUBMISSION OF FINAL CONDITION.—

“(1) IN GENERAL.—After an applicant files with the Commission an application for a license, the Commission shall set a date by which a consulting agency shall submit to the Commission a final condition.

“(2) LIMITATION.—Except as provided in paragraph (3), the date for submission of a final condition shall be not later than 1 year after the date on which the Commission gives the consulting agency notice that a license application is ready for environmental review.

“(3) DEFAULT.—If a consulting agency does not submit a final condition to a license by the date set under paragraph (1)—

“(A) the consulting agency shall not thereafter have authority to recommend or establish a condition to the license; and

“(B) the Commission may, but shall not be required to, recommend or establish an appropriate condition to the license that—

“(i) furthers the interest sought to be protected by the provision of law that authorizes the consulting agency to propose or establish a condition to the license; and

“(ii) conforms to the requirements of this Act.

“(4) EXTENSION.—The Commission may make 1 extension, of not more than 30 days, of a deadline set under paragraph (1).

“(g) ANALYSIS BY THE COMMISSION.—

“(1) ECONOMIC ANALYSIS.—The Commission shall conduct an economic analysis of each condition submitted by a consulting agency to determine whether the condition would render the project uneconomic.

“(2) CONSISTENCY WITH THIS SECTION.—In exercising authority under section 10(j)(2), the Commission shall consider whether any recommendation submitted under section 10(j)(1) is consistent with the purposes and requirements of subsections (b) and (c) of this section.

“(h) COMMISSION DETERMINATION ON EFFECT OF CONDITIONS.—When requested by a license applicant in a request for rehearing, the Commission shall make a written determination on whether a condition submitted by a consulting agency—

“(1) is in the public interest, as measured by the impact of the condition on the factors described in subsection (b)(1);

“(2) was subjected to scientific review in accordance with subsection (c);

“(3) relates to direct project impacts within the reservation, in the case of a condition for the first proviso of section 4(e);

“(4) is reasonable;

“(5) is supported by substantial evidence; and

“(6) is consistent with this Act and other terms and conditions to be included in the license.”.

(b) CONFORMING AND TECHNICAL AMENDMENTS.—

(1) SECTION 4.—Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(A) in the first proviso of the first sentence, by inserting after “conditions” the following: “, determined in accordance with section 33,”; and

(B) in the last sentence, by striking the period and inserting “(including consideration of the impacts on greenhouse gas emissions)”.

(2) SECTION 18.—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended in the first sentence by striking “prescribed by the Secretary of Commerce” and inserting “prescribed, in accordance with section 33, by the Secretary of the Interior or the Secretary of Commerce, as appropriate.”

**SEC. 4725. COORDINATED ENVIRONMENTAL REVIEW PROCESS.**

Part I of the Federal Power Act (16 U.S.C. 791a et seq.) (as amended by section 4724) is amended by adding at the end the following: “**SEC. 34. COORDINATED ENVIRONMENTAL REVIEW PROCESS.**

“(a) LEAD AGENCY RESPONSIBILITY.—The Commission, as the lead agency for environmental reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects licensed under this part, shall conduct a single consolidated environmental review—

“(1) for each such project; or

“(2) if appropriate, for multiple projects located in the same area.

“(b) CONSULTING AGENCIES.—In connection with the formulation of a condition in accordance with section 33, a consulting agency shall not perform any environmental review in addition to any environmental review performed by the Commission in connection with the action to which the condition relates.

“(c) DEADLINES.—

“(1) IN GENERAL.—The Commission shall set a deadline for the submission of comments by Federal, State, and local government agencies in connection with the preparation of any environmental impact statement or environmental assessment required for a project.

“(2) CONSIDERATIONS.—In setting a deadline under paragraph (1), the Commission shall take into consideration—

“(A) the need of the license applicant for a prompt and reasonable decision;

“(B) the resources of interested Federal, State, and local government agencies; and

“(C) applicable statutory requirements.”.

**SEC. 4726. STUDY OF SMALL HYDROELECTRIC PROJECTS.**

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Federal Energy Regulatory Commission shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Commerce of the House of Representatives a study of the feasibility of establishing a separate licensing procedure for small hydroelectric projects.

(b) DEFINITION OF SMALL HYDROELECTRIC PROJECT.—The Commission may by regulation define the term “small hydroelectric project” for the purpose of subsection (a), except that the term shall include at a minimum a hydroelectric project that has a generating capacity of 5 megawatts or less.

**TITLE VIII—ELECTRIC SUPPLY RELIABILITY; PURPA REPEAL; PUHCA REPEAL**

**Subtitle A—Electric Energy Transmission Reliability**

**SEC. 4801. SHORT TITLE.**

This subtitle may be cited as the “National Electric Reliability Act”.

**SEC. 4802. ELECTRIC ENERGY TRANSMISSION RELIABILITY.**

(a) ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.—

(1) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

“**SEC. 215. ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.**

“(a) DEFINITIONS.—In this section:

“(1) AFFILIATED REGIONAL RELIABILITY ENTITY.—The term ‘affiliated regional reliability entity’ means an entity delegated authority under the provisions of subsection (h).

“(2) BULK POWER SYSTEM.—The term ‘bulk power system’ means all facilities and control systems necessary for operating an interconnected transmission grid (or any portion thereof), including high-voltage transmission lines; substations; control centers; communications; data, and operations planning facilities; and the output of generating units necessary to maintain transmission system reliability.

“(3) ELECTRIC RELIABILITY ORGANIZATION, OR ORGANIZATION.—The term ‘Electric Reliability Organization’ or ‘Organization’ means the organization approved by the Commission under subsection (d)(4).

“(4) ENTITY RULE.—The term ‘entity rule’ means a rule adopted by an affiliated regional reliability entity for a specific region and designed to implement or enforce 1 or more Organization Standards. An entity rule shall be approved by the organization and once approved, shall be treated as an Organization Standard.

“(5) INDUSTRY SECTOR.—The term ‘industry sector’ means a group of users of the bulk power system with substantially similar commercial interests, as determined by the Board of the Electric Reliability Organization.

“(6) INTERCONNECTION.—The term ‘interconnection’ means a geographic area in which the operation of bulk power system components is synchronized such that the failure of 1 or more such components may adversely affect the ability of the operators of other components within the interconnection to maintain safe and reliable operation of the facilities within their control.

“(7) ORGANIZATION STANDARD.—The term ‘Organization Standard’ means a policy or standard duly adopted by the Electric Reliability Organization to provide for the reliable operation of a bulk power system.

“(8) PUBLIC INTEREST GROUP.—The term ‘public interest group’ means any nonprofit private or public organization that has an interest in the activities of the Electric Reliability Organization, including, but not limited to, ratepayer advocates, environmental groups, and State and local government organizations that regulate market participants and promulgate government policy.

“(9) VARIANCE.—The term ‘variance’ means an exception or variance from the requirements of an Organization Standard (including a proposal for an Organization Standard where there is no Organization Standard) that is adopted by an affiliated regional reliability entity and applicable to all or a part of the region for which the affiliated regional reliability entity is responsible. A variance shall be approved by the organization and once approved, shall be treated as an Organization Standard.

“(10) SYSTEM OPERATOR.—The term ‘system operator’ means any entity that operates or is responsible for the operation of a bulk power system, including but not limited to a control area operator, an independent system operator, a regional transmission organization, a transmission company, a transmission system operator, or a regional security coordinator.

“(11) USER OF THE BULK POWER SYSTEM.—The term ‘user of the bulk power system’ means any entity that sells, purchases, or transmits electric power over a bulk power system, or that owns, operates, or maintains facilities or control systems that are part of a bulk power system, or that is a system operator.

“(b) COMMISSION AUTHORITY.—

“(1) Within the United States, the Commission shall have jurisdiction over the Electric Reliability Organization, all affiliated regional reliability entities, all system operators, and all users of the bulk-power system, for purposes of approving and enforcing compliance with the requirements of this section.

“(2) The Commission may, by rule, define any other term used in this section, provided such definition is consistent with the definitions in, and the purpose and intent of, this Act.

“(3) Not later than 90 days after the date of enactment of this section, the Commission shall issue a proposed rule for implementing the requirements of this section. The Commission shall provide notice and opportunity

for comment on the proposed rule. The Commission shall issue a final rule under this subsection within 180 days after the date of enactment of this section.

“(4) Nothing in this section shall be construed as limiting or impairing any authority of the Commission under any other provision of this Act, including its exclusive authority to determine rates, terms, and conditions of transmission services subject to its jurisdiction.

“(C) EXISTING RELIABILITY STANDARDS.— After the date of enactment of this section, and prior to the approval of an organization under subsection (d), any entity, including the North American Electric Reliability Council and its member regional reliability councils, may file any reliability standard, guidance, or practice that such entity would propose to be made mandatory and enforceable. The Commission, after allowing an opportunity to submit comments, may approve any such proposed mandatory standard, guidance, or practice, or any amendment thereto, if it finds that the standard, guidance, or practice, or amendment is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission may, without further proceeding or finding, grant its approval to any standard, guidance, or practice for which no substantive objections are filed in the comment period. Filed standards, guidances, or practices, including any amendments thereto, shall be mandatory and applicable according to their terms following approval by the Commission and shall remain in effect until—

“(1) withdrawn, disapproved, or superseded by an Organization Standard, issued or approved by the Electric Reliability Organization and made effective by the Commission under subsection (e); or

“(2) disapproved by the Commission if, upon complaint or upon its own motion and after notice and an opportunity for comment, the Commission finds the standard, guidance, or practice unjust, unreasonable, unduly discriminatory, or preferential or not in the public interest.

Standards, guidances, or practices in effect pursuant to the provisions of this subsection shall be enforceable by the Commission.

“(d) ORGANIZATION APPROVAL.—

“(1) Following the issuance of a final Commission rule under subsection (b)(3), an entity may submit an application to the Commission for approval as the Electric Reliability Organization. The applicant shall specify in its application its governance and procedures, as well as its funding mechanism and initial funding requirements.

“(2) The Commission shall provide public notice of the application and afford interested parties an opportunity to comment.

“(3) The Commission shall approve the application if the Commission determines that the applicant—

“(A) has the ability to develop, implement, and enforce standards that provide for an adequate level of reliability of the bulk power system;

“(B) permits voluntary membership to any user of the bulk power system or public interest group;

“(C) ensures fair representation of its members in the selection of its directors and fair management of its affairs, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards and the exercise of oversight of bulk power system reliability;

“(D) ensures that no 2 industry sectors have the ability to control, and no 1 industry sector has the ability to veto, the Electric Reliability Organization’s discharge of its responsibilities (including actions by committees recommending standards to the board or other board actions to implement and enforce standards);

“(E) provides for governance by a board wholly comprised of independent directors;

“(F) provides a funding mechanism and requirements that are just, reasonable, and not unduly discriminatory or preferential and are in the public interest, and which satisfy the requirements of subsection (1);

“(G) establishes procedures for development of Organization Standards that provide reasonable notice and opportunity for public comment, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards, and which standards development process has—

“(i) openness;

“(ii) balance of interests; and

“(iii) due process, except that the procedures may include alternative procedures for emergencies;

“(H) establishes fair and impartial procedures for implementation and enforcement of Organization Standards, either directly or through delegation to an affiliated regional reliability entity, including the imposition of penalties, limitations on activities, functions, or operations, or other appropriate sanctions;

“(I) establishes procedures for notice and opportunity for public observation of all meetings, except that the procedures for public observation may include alternative procedures for emergencies or for the discussion of information the directors determine should take place in closed session, such as litigation, personnel actions, or commercially sensitive information;

“(J) provides for the consideration of recommendations of States and State commissions; and

“(K) addresses other matters that the Commission may deem necessary or appropriate to ensure that the procedures, governance, and funding of the Electric Reliability Organization are just, reasonable, not unduly discriminatory or preferential, and are in the public interest.

“(4) The Commission shall approve only 1 Electric Reliability Organization. If the Commission receives 2 or more timely applications that satisfy the requirements of this subsection, the Commission shall approve only the application it concludes will best implement the provisions of this section.

“(e) ESTABLISHMENT OF AND MODIFICATIONS TO ORGANIZATION STANDARDS.—

“(1) The Electric Reliability Organization shall file with the Commission any new or modified organization standards, including any variances or entity rules, and the Commission shall follow the procedures under paragraph (2) for review of that filing.

“(2) Submissions under paragraph (1) shall include—

“(A) a concise statement of the purpose of the proposal; and

“(B) a record of any proceedings conducted with respect to such proposal.

The Commission shall provide notice of the filing of such proposal and afford interested entities 30 days to submit comments. The Commission, after taking into consideration any submitted comments, shall approve or disapprove such proposal not later than 60 days after the deadline for the submission of

comments, except that the Commission may extend the 60 day period for an additional 90 days for good cause, and except further that if the Commission does not act to approve or disapprove a proposal within the foregoing periods, the proposal shall go into effect subject to its terms, without prejudice to the authority of the Commission thereafter to modify the proposal in accordance with the standards and requirements of this section. Proposals approved by the Commission shall take effect according to their terms but not earlier than 30 days after the effective date of the Commission’s order, except as provided in paragraph (3) of this subsection.

“(3)(A) In the exercise of its review responsibilities under this subsection, the Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a new or modified organization standard, but shall not defer to the organization with respect to the effect of the standard on competition. The Commission shall approve a proposed new or modified organization standard if it determines the proposal to be just, reasonable, not unduly discriminatory or preferential, and in the public interest.

“(B) An existing or proposed organization standard which is disapproved in whole or in part by the Commission shall be remanded to the Electric Reliability Organization for further consideration.

“(C) The Commission, on its own motion or upon complaint, may direct the Electric Reliability Organization to develop an organization standard, including modification to an existing organization standard, addressing a specific matter by a date certain if the Commission considers such new or modified organization standard necessary or appropriate to further the purposes of this section. The Electric Reliability Organization shall file any such new or modified organization standard in accordance with this subsection.

“(D) An affiliated regional reliability entity may propose a variance or entity rule to the Electric Reliability Organization. The affiliated regional reliability entity may request that the Electric Reliability Organization expedite consideration of the proposal, and may file a notice of such request with the Commission, if expedited consideration is necessary to provide for bulk-power system reliability. If the Electric Reliability Organization fails to adopt the variance or entity rule, either in whole or in part, the affiliated regional reliability entity may request that the Commission review such action. If the Commission determines, after its review of such a request, that the action of the Electric Reliability Organization did not conform to the applicable standards and procedures approved by the Commission, or if the Commission determines that the variance or entity rule is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably rejected the proposed variance or entity rule, then the Commission may remand the proposed variance or entity rule for further consideration by the Electric Reliability Organization or may direct the Electric Reliability Organization or the affiliated regional reliability entity to develop a variance or entity rule consistent with that requested by the affiliated regional reliability entity. Any such variance or entity rule proposed by an affiliated regional reliability entity shall be submitted to the Electric Reliability Organization for review and filing with the Commission in accordance with the procedures specified in this subsection.

“(E) Notwithstanding any other provision of this subsection, a proposed organization standard or amendment shall take effect according to its terms if the Electric Reliability Organization determines that an emergency exists requiring that such proposed organization standard or amendment take effect without notice or comment. The Electric Reliability Organization shall notify the Commission immediately following such determination and shall file such emergency organization standard or amendment with the Commission not later than 5 days following such determination and shall include in such filing an explanation of the need for such emergency standard. Subsequently, the Commission shall provide notice of the organization standard or amendment for comment, and shall follow the procedures set out in paragraphs (2) and (3) for review of the new or modified organization standard. Any such organization standard that has gone into effect shall remain in effect unless and until suspended or disapproved by the Commission. If the Commission determines at any time that the emergency organization standard or amendment is not necessary, the Commission may suspend such emergency organization standard or amendment.

“(4) All users of the bulk power system shall comply with any organization standard that takes effect under this section.

“(f) COORDINATION WITH CANADA AND MEXICO.—The Electric Reliability Organization shall take all appropriate steps to gain recognition in Canada and Mexico. The United States shall use its best efforts to enter into international agreements with the appropriate governments of Canada and Mexico to provide for effective compliance with organization standards and to provide for the effectiveness of the Electric Reliability Organization in carrying out its mission and responsibilities. All actions taken by the Electric Reliability Organization, any affiliated regional reliability entity, and the Commission shall be consistent with the provisions of such international agreements.

“(g) CHANGES IN PROCEDURES, GOVERNANCE, OR FUNDING.—

“(1) The Electric Reliability Organization shall file with the Commission any proposed change in its procedures, governance, or funding, or any changes in the affiliated regional reliability entity’s procedures, governance, or funding relating to delegated functions, and shall include with the filing an explanation of the basis and purpose for the change.

“(2) A proposed procedural change may take effect 90 days after filing with the Commission if the change constitutes a statement of policy, practice, or interpretation with respect to the meaning or enforcement of an existing procedure. Otherwise, a proposed procedural change shall take effect only upon a finding by the Commission, after notice and opportunity for comments, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (d)(4).

“(3) A change in governance or funding shall not take effect unless the Commission finds that the change is just, reasonable, not unduly discriminatory or preferential, in the public interest, and satisfies the requirements of subsection (d)(4).

“(4) The Commission, upon complaint or upon its own motion, may require the Electric Reliability Organization to amend the procedures, governance, or funding if the Commission determines that the amendment

is necessary to meet the requirements of this section. The Electric Reliability Organization shall file the amendment in accordance with paragraph (1) of this subsection.

“(h) DELEGATIONS OF AUTHORITY.—

“(1) The Electric Reliability Organization shall, upon request by an entity, enter into an agreement with such entity for the delegation of authority to implement and enforce compliance with organization standards in a specified geographic area if the organization finds that the entity requesting the delegation satisfies the requirements of subparagraphs (A), (B), (C), (D), (F), (J), and (K) of subsection (d)(4), and if the delegation promotes the effective and efficient implementation and administration of bulk power system reliability. The Electric Reliability Organization may enter into an agreement to delegate to the entity any other authority, except that the Electric Reliability Organization shall reserve the right to set and approve standards for bulk power system reliability.

“(2) The Electric Reliability Organization shall file with the Commission any agreement entered into under this subsection and any information the Commission requires with respect to the affiliated regional reliability entity to which authority is to be delegated. The Commission shall approve the agreement, following public notice and an opportunity for comment, if it finds that the agreement meets the requirements of paragraph (1), and is just, reasonable, not unduly discriminatory or preferential, and is in the public interest. A proposed delegation agreement with an affiliated regional reliability entity organized on an interconnection-wide basis shall be rebuttably presumed by the Commission to promote the effective and efficient implementation and administration of bulk power system reliability. No delegation by the Electric Reliability Organization shall be valid unless approved by the Commission.

“(3)(A) A delegation agreement entered into under this subsection shall specify the procedures for an affiliated regional reliability entity to propose entity rules or variances for review by the Electric Reliability Organization. With respect to any such proposal that would apply on an interconnection-wide basis, the Electric Reliability Organization shall presume such proposal valid if made by an interconnection-wide affiliated regional reliability entity unless the Electric Reliability Organization makes a written finding that the proposal—

“(i) was not developed in a fair and open process that provided an opportunity for all interested parties to participate;

“(ii) has a significant adverse impact on reliability or commerce in other interconnections;

“(iii) fails to provide a level of reliability of the bulk-power system within the interconnection such that it would constitute a serious and substantial threat to public health, safety, welfare, or national security; or

“(iv) creates a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.

“(B) With respect to any such proposal that would apply only to part of an interconnection, the Electric Reliability Organization shall find such proposal valid if the affiliated regional reliability entity or entities making the proposal demonstrate that it—

“(i) was developed in a fair and open process that provided an opportunity for all interested parties to participate;

“(ii) would not have an adverse impact on commerce that is not necessary for reliability;

“(iii) provides a level of bulk power system reliability adequate to protect public health, safety, welfare, and national security, and would not have a significant adverse impact on reliability; and

“(iv) in the case of a variance, is based on legitimate differences between regions or between subregions within the affiliated regional reliability entity’s geographic area.

The Electric Reliability Organization shall approve or disapprove such proposal within 120 days, or the proposal shall be deemed approved. Following approval of any such proposal under this paragraph, the Electric Reliability Organization shall seek Commission approval pursuant to the procedures prescribed under subsection (e)(3). Affiliated regional reliability entities may not make requests for approval directly to the Commission except pursuant to subsection (e)(3)(D).

“(4) If an affiliated regional reliability entity requests, consistent with paragraph (1) of this subsection, that the Electric Reliability Organization delegate authority to it, but is unable within 180 days to reach agreement with the Electric Reliability Organization with respect to such requested delegation, such entity may seek relief from the Commission. If, following notice and opportunity for comment, the Commission determines that a delegation to the entity would meet the requirements of paragraph (1) above, and that the delegation would be just, reasonable, not unduly discriminatory or preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably withheld such delegation, the Commission may, by order, direct the Electric Reliability Organization to make such delegation.

“(5)(A) The Commission may, upon its own motion or upon complaint, and with notice to the appropriate affiliated regional reliability entity or entities, direct the Electric Reliability Organization to propose a modification to an agreement entered into under this subsection if the Commission determines that—

“(i) the affiliated regional reliability entity no longer has the capacity to carry out effectively or efficiently its implementation or enforcement responsibilities under that agreement, has failed to meet its obligations under that agreement, or has violated any provision of this section;

“(ii) the rules, practices, or procedures of the affiliated regional reliability entity no longer provide for fair and impartial discharge of its implementation or enforcement responsibilities under the agreement;

“(iii) the geographic boundary of a transmission entity approved by the Commission is not wholly within the boundary of an affiliated regional reliability entity and such difference is inconsistent with the effective and efficient implementation and administration of bulk power system reliability; or

“(iv) the agreement is inconsistent with another delegation agreement as a result of actions taken under paragraph (4) of this subsection.

“(B) Following an order of the Commission issued under subparagraph (A), the Commission may suspend the affected agreement if the Electric Reliability Organization or the affiliated regional reliability entity does not propose an appropriate and timely modification. If the agreement is suspended, the Electric Reliability Organization shall assume the previously delegated responsibilities.

The Commission shall allow the Electric Reliability Organization and the affiliated regional reliability entity an opportunity to appeal the suspension.

“(i) ORGANIZATION MEMBERSHIP.—Every system operator shall be required to be a member of the electric Reliability Organization and shall be required also to be a member of any affiliated regional reliability entity operating under an agreement effective pursuant to subsection (h) applicable to the region in which the system operator operates or is responsible for the operation of bulkpower system facilities.

“(j) INJUNCTIONS AND DISCIPLINARY ACTION.—

“(1) Consistent with the range of actions approved by the Commission under subsection (d)(4)(H), the Electric Reliability Organization may impose a penalty, limitation of activities, functions, operations, or other disciplinary action the Electric Reliability Organization finds appropriate against a user of the bulk power system if the Electric Reliability Organization, after notice and an opportunity for interested parties to be heard, issues a finding in writing that the user of the bulk-power system has violated an organization standard. The Electric Reliability Organization shall immediately notify the Commission of any disciplinary action imposed with respect to an act or failure to act of a user of the bulk-power system that affected or threatened to affect bulk power system facilities located in the United States, and the sanctioned party shall have the right to seek modification or rescission of such disciplinary action by the Commission. If the organization finds it necessary to prevent a serious threat to reliability, the organization may seek injunctive relief in a Federal court in the district in which the affected facilities are located.

“(2) A disciplinary action taken under paragraph (1) may take effect not earlier than the 30th day after the Electric Reliability Organization files with the Commission its written finding and record of proceedings before the Electric Reliability Organization and the Commission posts its written finding, unless the Commission, on its own motion or upon application by the user of the bulk power system which is the subject of the action, suspends the action. The action shall remain in effect or remain suspended unless and until the Commission, after notice and opportunity for hearing, affirms, sets aside, modifies, or reinstates the action, but the Commission shall conduct such hearing under procedures established to ensure expedited consideration of the action taken.

“(3) The Commission, on its own motion or on complaint, may order compliance with an organization standard and may impose a penalty, limitation of activities, functions, or operations, or take such other disciplinary action as the Commission finds appropriate, against a user of the bulk power system with respect to actions affecting or threatening to affect bulk power system facilities located in the United States if the Commission finds, after notice and opportunity for a hearing, that the user of the bulk power system has violated or threatens to violate an organization standard.

“(4) The Commission may take such action as is necessary against the Electric Reliability Organization or an affiliated regional reliability entity to ensure compliance with an organization standard, or any Commission order affecting the Electric Reliability Organization or an affiliated regional reliability entity.

“(k) RELIABILITY REPORTS.—The Electric Reliability Organization shall conduct periodic assessments of the reliability and adequacy of the interconnected bulk power system in North America and shall report annually to the Secretary of Energy and the Commission its findings and recommendations for monitoring or improving system reliability and adequacy.

“(l) ASSESSMENT AND RECOVERY OF CERTAIN COSTS.—The reasonable costs of the Electric Reliability Organization, and the reasonable costs of each affiliated regional reliability entity that are related to implementation and enforcement of organization standards or other requirements contained in a delegation agreement approved under subsection (h), shall be assessed by the Electric Reliability Organization and each affiliated regional reliability entity, respectively, taking into account the relationship of costs to each region and based on an allocation that reflects an equitable sharing of the costs among all end users. The Commission shall provide by rule for the review of such costs and allocations, pursuant to the standards in this subsection and subsection (d)(4)(F).

“(m) SAVINGS PROVISIONS.—

“(1) The Electric Reliability Organization shall have authority to develop, implement and enforce compliance with standards for the reliable operation of only the bulk power system.

“(2) This section does not provide the Electric Reliability Organization or the Commission with the authority to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

“(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any Organization Standard.

“(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, the Commission shall issue a final order determining whether a State action is inconsistent with an Organization Standard, after notice and opportunity for comment, taking into consideration any recommendations of the Electric Reliability Organization.

“(5) The Commission, after consultation with the Electric Reliability Organization, may stay the effectiveness of any state action, pending the Commission's issuance of a final order.

“(n) REGIONAL ADVISORY BODIES.—The Commission shall establish a regional advisory body on the petition of at least ⅔ of the States within a region that have more than one-half of their electric load served within the region. A regional advisory body shall be composed of 1 member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, States, and provinces outside the United States, upon execution of an international agreement or agreements described in subsection (f). A regional advisory body may provide advice to the electric reliability organization, an affiliated regional reliability entity, or the Commission regarding the governance of an existing or proposed affiliated regional reliability entity within the same region, whether an organization standard, entity rule, or variance proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and whether fees proposed to be assessed within the region are just, reasonable, not unduly

discriminatory or preferential, in the public interest, and consistent with the requirements of subsection (l). The Commission may give deference to the advice of any such regional advisory body if that body is organized on an interconnection-wide basis.

“(o) COORDINATION WITH REGIONAL TRANSMISSION ORGANIZATIONS.—

“(1) Each regional transmission organization authorized by the Commission shall be responsible for maintaining the short-term reliability of the bulk power system that it operates, consistent with organization standards.

“(2) Except as provided in paragraph (5), in connection with a proceeding under subsection (e) to consider a proposed organization standard, each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding whether the proposed organization standard hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. Where such hindrance or conflict is identified, the Commission shall address such hindrance or conflict, and the need for any changes to such rule, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission in its order under subsection (e) regarding the proposed standard. Where such hindrance or conflict is identified between a proposed organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional transmission organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a change and the change becomes effective. If the Commission finds that the tariff, rate schedule, or agreement needs to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that the proposed organization standard needs to be changed, it shall remand the proposed organization standard to the electric reliability organization under subsection (e)(3)(B).

“(3) Except as provided in paragraph (5), to the extent hindrances and conflicts arise after approval of a reliability standard under subsection (c) or organization standard under subsection (e), each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding any reliability standard approved under subsection (c) or organization standard that hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. The Commission shall seek to ensure that such hindrances or conflicts are resolved promptly. Where a hindrance or conflict is identified between a reliability standard or an organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional reliability organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a



change and the change becomes effective. If the Commission finds that the tariff, rate schedule or agreement needs to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that an organization standard needs to be changed, it shall order the electric reliability organization to develop and submit a modified organization standard under subsection (e)(3)(C).

“(4) An affiliated regional reliability entity and a regional transmission organization operating in the same geographic area shall cooperate to avoid conflicts between implementation and enforcement of organization standards by the affiliated regional reliability entity and implementation and enforcement by the regional transmission organization of tariffs, rate schedules, and agreements accepted, approved or ordered by the Commission. In areas without an affiliated regional reliability entity, the electric reliability organization shall act as the affiliated regional reliability entity for purposes of this paragraph.

“(5) Until 180 days after approval of applicable subsection (h)(3) procedures, any reliability standard, guidance, or practice contained in Commission-accepted tariffs, rate schedules, or agreements in effect of any Commission-authorized independent system operator or regional transmission organization shall continue to apply unless the Commission accepts an amendment thereto by the applicable operator or organization, or upon complaint finds them to be unjust, unreasonable, unduly discriminatory or preferential, or not in the public interest. At the conclusion of such transition period, any such reliability standard, guidance, practice, or amendment thereto that the Commission determines is inconsistent with organization standards shall no longer apply.”

(2) ENFORCEMENT.—Sections 316 and 316A of the Federal Power Act (16 U.S.C. 825o, 825o-1) are amended by striking “or 214” each place it appears and inserting “214, or 215”.

(b) APPLICATION OF ANTITRUST LAWS.—Notwithstanding any other provision of law, each of the following activities are rebuttably presumed to be in compliance with the antitrust laws of the United States:

(1) Activities undertaken by the Electric Reliability Organization under section 215 of the Federal Power Act or affiliated regional reliability entity operating under an agreement in effect under section 215(h) of such Act.

(2) Activities of a member of the Electric Reliability Organization or affiliated regional reliability entity in pursuit of organization objectives under section 215 of the Federal Power Act undertaken in good faith under the rules of the organization.

Primary jurisdiction, and immunities and other affirmative defenses, shall be available to the extent otherwise applicable.

#### **Subtitle B—PURPA Mandatory Purchase and Sale Requirements**

##### **SEC. 4803. PURPA MANDATORY PURCHASE AND SALE REQUIREMENTS.**

Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a-3) is amended by adding at the end the following:

“(m) TERMINATION OF MANDATORY PURCHASE AND SALE REQUIREMENTS.—

“(1) IN GENERAL.—After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase electric energy from, or sell electric energy under this section.

“(2) NO EFFECT ON EXISTING RIGHTS AND REMEDIES.—Nothing in this subsection affects the rights or remedies of any party with respect to the purchase or sale of electric energy or capacity from or to a facility under this section under any contract or obligation to purchase or to sell electric energy or capacity on the date of enactment of this subsection, including—

“(A) the right to recover costs of purchasing such electric energy or capacity; and

“(B) in States without competition for retail electric supply, the obligation of a utility to provide, at just and reasonable rates for consumption by a qualifying small power production facility or a qualifying cogeneration facility, backup, standby, and maintenance power.

“(3) RECOVERY OF COSTS.—

“(A) REGULATION.—To ensure recovery, by an electric utility that purchases electricity or capacity from a qualifying facility pursuant to any legally enforceable obligation entered into or imposed under this section before the date of enactment of this subsection, of all costs associated with the purchases, the Commission shall issue and enforce such regulations as are required to ensure that no electric utility shall be required directly or indirectly to absorb the costs associated with such purchases.

“(B) ENFORCEMENT.—A regulation under subparagraph (A) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act.”

#### **Subtitle C—Repeal of the Public Utility Holding Company Act of 1935 and Enactment of the Public Utility Holding Company Act of 2001**

##### **SEC. 4810. SHORT TITLE.**

This subtitle may be cited as the “Public Utility Holding Company Act of 2001”.

##### **SEC. 4811. FINDINGS AND PURPOSES.**

(a) FINDINGS.—Congress finds that—

(1) the Public Utility Holding Company Act of 1935 was intended to facilitate the work of Federal and State regulators by placing certain constraints on the activities of holding company systems;

(2) developments since 1935, including changes in other regulation and in the electric and gas industries, have called into question the continued relevance of the model of regulation established by that Act;

(3) there is a continuing need for State regulation in order to ensure the rate protection of utility customers; and

(4) limited Federal regulation is necessary to supplement the work of State commissions for the continued rate protection of electric and gas utility customers.

(b) PURPOSES.—The purposes of this title are—

(1) to eliminate unnecessary regulation, yet continue to provide for consumer protection by facilitating existing rate regulatory authority through improved Federal and State commission access to books and records of all companies in a holding company system, to the extent that such information is relevant to rates paid by utility customers, while affording companies the flexibility required to compete in the energy markets; and

(2) to address protection of electric and gas utility customers by providing for Federal and State access to books and records of all companies in a holding company system that are relevant to utility rates.

##### **SEC. 4812. DEFINITIONS.**

For the purposes of this subtitle—

(1) the term “affiliate” of a company means any company 5 percent or more of the

outstanding voting securities of which are owned, controlled, or held with power to vote, directly or indirectly, by such company;

(2) the term “associate company” of a company means any company in the same holding company system with such company;

(3) the term “Commission” means the Federal Energy Regulatory Commission;

(4) the term “company” means a corporation, partnership, association, joint stock company, business trust, or any organized group of persons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing;

(5) the term “electric utility company” means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale;

(6) the terms “exempt wholesale generator” and “foreign utility company” have the same meanings as in sections 32 and 33, respectively, of the Public Utility Holding Company Act of 1935, as those sections existed on the day before the effective date of this Act;

(7) the term “gas utility company” means any company that owns or operates facilities used for distribution at retail (other than the distribution only in enclosed portable containers or distribution to tenants or employees of the company operating such facilities for their own use and not for resale) of natural or manufactured gas for heat, light, or power;

(8) the term “holding company” means—

(A) any company that directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of a public utility company or of a holding company of any public utility company; and

(B) any person, determined by the Commission, after notice and opportunity for hearing, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with 1 or more persons) such a controlling influence over the management or policies of any public utility company or holding company as to make it necessary or appropriate for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this title upon holding companies;

(9) the term “holding company system” means a holding company, together with its subsidiary companies;

(10) the term “jurisdictional rates” means rates established by the Commission for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use;

(11) the term “natural gas company” means a person engaged in the transportation of natural gas in interstate commerce or the sale of such gas in interstate commerce for resale;

(12) the term “person” means an individual or company;

(13) the term “public utility” means any person who owns or operates facilities used for transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce;

(14) the term “public utility company” means an electric utility company or a gas utility company;

(15) the term "State commission" means any commission, board, agency, or officer, by whatever name designated, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies;

(16) the term "subsidiary company" of a holding company means—

(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with 1 or more other persons) so as to make it necessary for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this title upon subsidiary companies of holding companies; and

(17) the term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a company.

**SEC. 4813. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.**

The Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.) is repealed, effective 1 year after the date of enactment of this Act.

**SEC. 4814. FEDERAL ACCESS TO BOOKS AND RECORDS.**

(a) IN GENERAL.—Each holding company and each associate company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of a holding company shall maintain, and make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate, as the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records of any company in a holding company system, or any affiliate thereof, as the Commission deems to be relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(d) CONFIDENTIALITY.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to

his or her knowledge during the course of examination of books, accounts, memoranda, or other records as provided in this section, except as may be directed by the Commission or by a court of competent jurisdiction.

**SEC. 4815. STATE ACCESS TO BOOKS AND RECORDS.**

(a) IN GENERAL.—Upon the written request of a State commission having jurisdiction to regulate a public utility company in a holding company system, the holding company or any associate company or affiliate thereof, other than such public utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail in a proceeding before the State commission;

(2) the State commission deems are relevant to costs incurred by such public utility company; and

(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) LIMITATION.—Subsection (a) does not apply to any person that is a holding company solely by reason of ownership of 1 or more qualifying facilities under the Public Utility Regulatory Policies Act.

(c) CONFIDENTIALITY OF INFORMATION.—The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

(d) EFFECT ON STATE LAW.—Nothing in this section shall preempt applicable State law concerning the provision of books, records, or any other information, or in any way limit the rights of any State to obtain books, records, or any other information under any other Federal law, contract, or otherwise.

(e) COURT JURISDICTION.—Any United States district court located in the State in which the State commission referred to in subsection (a) is located shall have jurisdiction to enforce compliance with this section.

**SEC. 4816. EXEMPTION AUTHORITY.**

(a) RULEMAKING.—Not later than 90 days after the effective date of this subtitle, the Commission shall promulgate a final rule to exempt from the requirements of section 4815 any person that is a holding company, solely with respect to 1 or more—

(1) qualifying facilities under the Public Utility Regulatory Policies Act of 1978;

(2) exempt wholesale generators; or

(3) foreign utility companies.

(b) OTHER AUTHORITY.—If, upon application or upon its own motion, the Commission finds that the books, records, accounts, memoranda, and other records of any person are not relevant to the jurisdictional rates of a public utility or natural gas company, or if the Commission finds that any class of transactions is not relevant to the jurisdictional rates of a public utility or natural gas company, the Commission shall exempt such person or transaction from the requirements of section 4815.

**SEC. 4817. AFFILIATE TRANSACTION.**

Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public utility company, public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public utility company from an associate company.

**SEC. 4818. APPLICABILITY.**

No provision of this subtitle shall apply to, or be deemed to include—

(1) the United States;

(2) a State or any political subdivision of a State;

(3) any foreign governmental authority not operating in the United States;

(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or

(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), or (3) acting as such in the course of his or her official duty.

**SEC. 4819. EFFECT ON OTHER REGULATIONS.**

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect utility customers.

**SEC. 4820. ENFORCEMENT.**

The Commission shall have the same powers as set forth in sections 306 through 317 of the Federal Power Act (16 U.S.C. 825d–825p) to enforce the provisions of this subtitle.

**SEC. 4821. SAVINGS PROVISIONS.**

(a) IN GENERAL.—Nothing in this subtitle prohibits a person from engaging in or continuing to engage in activities or transactions in which it is legally engaged or authorized to engage on the effective date of this subtitle.

(b) EFFECT ON OTHER COMMISSION AUTHORITY.—Nothing in this subtitle limits the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) (including section 301 of that Act) or the Natural Gas Act (15 U.S.C. 717 et seq.) (including section 8 of that Act).

**SEC. 4822. IMPLEMENTATION.**

Not later than 180 days after the date of enactment of this subtitle, the Commission shall—

(1) promulgate such regulations as may be necessary or appropriate to implement this title (other than section 4815); and

(2) submit to Congress detailed recommendations on technical and conforming amendments to Federal law necessary to carry out this subtitle and the amendments made by this subtitle.

**SEC. 4823. TRANSFER OF RESOURCES.**

All books and records that relate primarily to the functions transferred to the Commission under this subtitle shall be transferred from the Securities and Exchange Commission to the Commission.

**SEC. 4824. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

**SEC. 4825. CONFORMING AMENDMENT TO THE FEDERAL POWER ACT.**

Section 318 of the Federal Power Act (16 U.S.C. 825q) is repealed.

**Subtitle D—Emission-Free Control Measures Under State Implementation Plans**

**SEC. 4830. EMISSION-FREE CONTROL MEASURES UNDER A STATE IMPLEMENTATION PLAN.**

Actions taken by a State to support the continued operation of existing emission-free electricity sources, or the construction or operation of new emission-free electricity sources, shall be considered control measures necessary or appropriate to meet applicable requirements under section 110(a) of the Clean Air Act (42 U.S.C. 7410(a)) and shall be included in a State Implementation Plan.

**TITLE IX—TAX INCENTIVES FOR ENERGY PRODUCTION AND CONSERVATION****SEC. 4901. SENSE OF CONGRESS REGARDING TAX INCENTIVES FOR ENERGY PRODUCTION AND CONSERVATION.**

It is the sense of Congress that certain Federal tax incentives including those contained in title IX of S. 389 as introduced in the First Session of the 107th Congress should be enacted into law to encourage energy production and conservation in the United States.

**SA 1583.** Mr. DORGAN (for Mrs. CLINTON (for herself, Mr. SCHUMER, Mr. DORGAN, Mr. EDWARDS, Mr. BIDEN, Mr. BAYH, Mr. SARBANES, Mr. LEAHY, Mr. SHELBY, Ms. STABENOW, Mr. CLELAND, Mr. BREAUX, Mr. JOHNSON, Mr. CRAPO, Mr. SMITH of New Hampshire, Mr. HELMS, Mr. ALLARD, Mr. CHAFEE, Ms. CANTWELL, Mr. INHOFE, Mr. KERRY, Mr. MCCAIN, Mr. FEINGOLD, Mr. MURKOWSKI, Mr. WYDEN, Ms. SNOWE, and Mr. WARNER)) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

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

**SECTION 1. SHORT TITLE.**

This title may be cited as the "The 9/11 Heroes Stamp Act of 2001".

**SEC. 2. REQUIREMENT THAT A SPECIAL COMMEMORATIVE POSTAGE STAMP BE DESIGNED AND ISSUED.**

(a) **IN GENERAL.**—In order to afford the public a direct and tangible way to provide assistance to the families of emergency relief personnel killed or permanently disabled in the line of duty in connection with the terrorist attacks against the United States on September 11, 2001, the United States Postal Service shall issue a semipostal in accordance with subsection (b).

(b) **REQUIREMENTS.**—The provisions of section 416 of title 39, United States Code, shall apply as practicable with respect to the semipostal described in subsection (a), subject to the following:

(c) **RATE OF POSTAGE.**—Section 414(b) of title 39, United States Code, is amended—

(1) in paragraph (1), by striking "of not to exceed 25 percent" and inserting "of not less than 15 percent"; and

(2) by adding after the sentence following paragraph (3) the following: "The special rate of postage of an individual stamp under this section shall be an amount that is evenly divisible by 5."

(d) **DISPOSITION OF AMOUNTS BECOMING AVAILABLE.**—All amounts becoming available from the sale of the semipostal (as determined under such section) shall be transferred to the Federal Emergency Management Agency under such arrangements as the Postal Service shall by mutual agreement with such agency establish in order to carry out the purposes of this Act.

(e) **COMMENCEMENT AND TERMINATION DATES.**—Stamps under this section shall be issued—

(A) beginning on the earliest date practicable; and

(B) for such period of time as the Postal Service considers necessary and appropriate, but in no event less than 2 years.

"(g) For purposes of section 416 (including any regulation prescribed under subsection

(e)(1)(C) of that section), the special postage stamp issued under this section shall not apply to any limitation relating to whether more than 1 semipostal may be offered for sale at the same time."

(c) **DESIGN.**—It is the sense of the Congress that the semipostal issued under this section should depict, by such design as the Postal Service considers to be most appropriate, the efforts of emergency relief personnel at the site of the World Trade Center in New York City and the Pentagon in Arlington, Virginia.

**SEC. 3. DEFINITIONS.**

For purposes of this Act—

(1) the term "emergency relief personnel" means firefighters, law enforcement officers, paramedics, emergency medical technicians, members of the clergy, and other individuals (including employees of legally organized and recognized volunteer organizations, whether compensated or not) who, in the course of professional duties, respond to fire, medical, hazardous material, or other similar emergencies; and

(2) the term "semipostal" has the meaning given such term by section 416 of title 39, United States Code.

**SA 1584.** Mr. DORGAN (for Mr. HATCH) proposed an amendment to the bill H.R. 2590, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 36, line 7, after the semicolon insert the following: "of which \$2,500,000 shall be used for a newly designated HIDTA in the State of Utah."

**NOTICES OF HEARINGS/MEETINGS****SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS**

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, September 25, 2001, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the effectiveness of the National Fire Plan in the 2001 fire season, including fuel reduction initiatives, and to examine the 10-Year Comprehensive Strategy for Reducing Wildland Fire Risks to Communities and the Environment that was recently agreed to by the Western Governors' Association, Secretary of the Interior Gale Norton and Secretary of Agriculture Ann Veneman.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Public Lands and For-

ests, Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Kira Finkler of the committee staff at (202) 224-8164.

**SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS**

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, September 26, 2001, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the science and implementation of the Northwest Forest Plan including its effect on species restoration and timber availability.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Public Lands and Forests, Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Kira Finkler of the committee staff at (202) 224-8164.

**SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS**

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, October 2, 2001, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the interaction of old-growth forest protection initiative and national forest policy.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Public Lands and Forests, Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Kira Finkler of the committee staff at (202) 224-8164.

**PRIVILEGE OF THE FLOOR**

Mr. DORGAN. Mr. President, I ask unanimous consent that Matt King, a