106TH CONGRESS 1ST SESSION

H. R. 1395

To amend the Clean Air Act to suspend the application of certain motor vehicle fuel requirements in areas within the State of California during certain periods in order to reduce the retail cost of gasoline, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 1999

Mr. Hunter (for himself and Mr. Calvert) introduced the following bill; which was referred to the Committee on Commerce

A BILL

To amend the Clean Air Act to suspend the application of certain motor vehicle fuel requirements in areas within the State of California during certain periods in order to reduce the retail cost of gasoline, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. FINDINGS.
- 4 The Congress finds as follows:
- 5 (1) The recent shutdown of primary petroleum
- 6 refining facilities in the State of California has cut
- 7 refining capabilities drastically.

- 1 (2) The reduction in refinery capacity has a di-2 rect and corresponding effect on gas prices in Cali-3 fornia, with gas costs vastly exceeding the national 4 average.
 - (3) It is now necessary to seek alternative sources of refined gasoline to alleviate this crisis.
 - (4) The Federal and State and local governments have a shared responsibility in reducing the increased fuel costs associated with California.
 - (5) California drivers cannot access inexpensive gasoline from other States because of special refining requirements. Working families in California need relief from the high costs associated with these requirements.
 - (6) The use of reformulated gas in California has significantly improved air quality in the State. However, due to the lack of refiners outside the State who can readily produce reformulated gas, consumers are faced with an unnecessary burden.

20 SEC. 2. AMENDMENT OF SECTION 211 OF CLEAN AIR ACT.

- 21 (a) Suspension of Reformulated Gas and
- 22 Oxygenated Fuel Requirements for California.—
- 23 Section 211 of the Clean Air Act is amended by adding
- 24 the following new subsection at the end thereof:
- 25 "(p) California High Fuel Cost Suspension.—

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"(1) In general.—The provisions of sub-1 2 section (k) of this section (relating to reformulated 3 gas) and subsection (m) of this section (relating to oxygenated fuel), and any provisions in effect under law regarding reformulated 5 California 6 oxygenated fuel, shall be suspended immediately fol-7 lowing publication of a determination by the Admin-8 istrator that, during the calendar month prior to 9 such publication, the Statewide average retail price 10 of gasoline within California has been more than 5 11 percent above the baseline average gasoline price for 12 California due to the costs of complying with such 13 provisions. Such suspension shall terminate imme-14 diately upon publication of a determination by the 15 Administrator that, during the prior calendar 16 month, the Statewide average retail price of gasoline 17 within the California has been more than 5 percent 18 below such baseline average gasoline price.

> "(2) Publication of Prices and Determina-Tion.—The Administrator shall publish the following in the Federal Register each month:

"(A) A determination of the Statewide average retail price of gasoline within California for the calendar month prior to such publication.

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"(B) A determination of the Statewide average retail price of gasoline within California during the 3-calendar year period preceding the calendar year in which such month occurs.

If the Administrator determines that, for any calendar month, the Statewide average retail price of gasoline within California is more than 5 percent above the baseline average gasoline price for California, such publication shall include a determination that the increase in the retail price of gasoline in California is due to the costs of complying with the provisions referred to in paragraph (1) unless the Administrator and the Governor of California jointly agree (and explain in such publication) that some or all of the increase in such retail price is due to factors that are national or international in scope and not unique to the State of California.

- "(3) GASOLINE FROM FOREIGN REFINERIES PROHIBITED.—During any suspension under paragraph (1), no gasoline refined outside the United States and imported into the United States may be sold at retail in the State of California.
- "(4) Definition.—For purposes of this subsection, the term 'baseline average gasoline price' means, for any calendar month, a Statewide average

price for gasoline sold at retail that is 120 percent of the Statewide average retail price of gasoline within California during the 3-calendar year period preceding the calendar year in which such month occurs.".

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