

109TH CONGRESS  
1ST SESSION

# H. R. 3081

To amend the Clean Air Act to increase the production and use of renewable fuel in the United States and to increase the energy independence of the United States, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 28, 2005

Mr. GUTKNECHT (for himself, Ms. HERSETH, Mr. GOODLATTE, Mr. PETERSON of Minnesota, Mr. SCOTT of Georgia, Mr. LAHOOD, Mr. BOSWELL, Mr. OSBORNE, Mr. FORTENBERRY, Mr. SALAZAR, Mr. BUTTERFIELD, Ms. FOXX, Mr. MORAN of Kansas, Mr. KENNEDY of Minnesota, Mr. KING of Iowa, Mr. JOHNSON of Illinois, Mr. BURTON of Indiana, and Mr. LATHAM) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Agriculture and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Clean Air Act to increase the production and use of renewable fuel in the United States and to increase the energy independence of the United States, 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “Renewable Fuels Act of 2005”.

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

See. 1. Short title; table of contents.

**TITLE I—GENERAL PROVISIONS**

See. 101. Renewable content of motor vehicle fuel.  
 See. 102. Federal agency ethanol-blended gasoline, and biodiesel, purchasing requirement.  
 See. 103. Monthly survey of renewable fuels demand in motor vehicle fuels market.  
 See. 104. Commodity credit corporation bioenergy program.

**TITLE II—FEDERAL REFORMULATED FUELS**

See. 201. Elimination of oxygen content requirement for reformulated gasoline.  
 See. 202. Public health and environmental impacts of fuels and fuel additives.  
 See. 203. Analyses of motor vehicle fuel changes.  
 See. 204. Additional opt-in areas under reformulated gasoline program.  
 See. 205. Federal enforcement of State fuels requirements.  
 See. 206. Fuel system requirements harmonization study.  
 See. 207. Review of Federal procurement initiatives relating to use of recycled products and fleet and transportation efficiency.  
 See. 208. Report on renewable motor fuel.

**6 TITLE I—GENERAL PROVISIONS**

**7 SEC. 101. RENEWABLE CONTENT OF MOTOR VEHICLE FUEL.**

8 (a) IN GENERAL.—Section 211 of the Clean Air Act

9 (42 U.S.C. 7545) is amended—

10 (1) by redesignating subsection (o) as sub-  
 11 section (q); and

12 (2) by inserting after subsection (n) the fol-  
 13 lowing:

14 “(o) RENEWABLE FUEL PROGRAM.—

15 “(1) DEFINITIONS.—In this subsection:

16 “(A) ETHANOL.—

1                             “(i) CELLULOSIC BIOMASS ETH-  
2                             ANOL.—The term ‘cellulosic biomass eth-  
3                             anol’ means ethanol derived from any  
4                             lignocellulosic or hemicellulosic matter that  
5                             is available on a renewable or recurring  
6                             basis. The term includes the material spec-  
7                             ified in clauses (i) through (vi) of section  
8                             9001(3)(B) of the Farm Security and  
9                             Rural Investment Act of 2002 (7 U.S.C.  
10                             (8101(3)(B)).

11                             “(ii) WASTE DERIVED ETHANOL.—  
12                             The term ‘waste derived ethanol’ means  
13                             ethanol derived from—

14                             “(I) material specified in clauses  
15                             (vii) and (viii) of section 9001(3)(B)  
16                             of the Farm Security and Rural In-  
17                             vestment Act of 2002 (7 U.S.C.  
18                             (8101(3)(B)); or

19                             “(II) municipal solid waste.

20                             “(B) RENEWABLE FUEL.—

21                             “(i) IN GENERAL.—The term ‘renew-  
22                             able fuel’ means motor vehicle fuel that—

23                             “(I)(aa) is produced from grain,  
24                             starch, oilseeds, wood fiber, or other  
25                             biomass; or

1                         “(bb) is natural gas produced  
2                         from a biogas source, including a  
3                         landfill, sewage waste treatment plant,  
4                         feedlot, paper mill, or other place  
5                         where decaying organic material is  
6                         found; and

7                         “(II) is used to replace or reduce  
8                         the quantity of fossil fuel present in a  
9                         fuel mixture used to operate a motor  
10                         vehicle.

11                         “(ii) INCLUSION.—The term ‘renew-  
12                         able fuel’ includes—

13                         “(I) cellulosic biomass ethanol;  
14                         “(II) waste derived ethanol;  
15                         “(III) biodiesel (as defined in  
16                         section 312(f) of the Energy Policy  
17                         Act of 1992 (42 U.S.C. 13220(f));  
18                         and

19                         “(IV) any blending components  
20                         derived from renewable fuel, except  
21                         that only the renewable fuel portion of  
22                         any such blending component shall be  
23                         considered part of the applicable vol-  
24                         ume under the renewable fuel pro-  
25                         gram established by this subsection.

1                   “(C) SMALL REFINERY.—The term ‘small  
2 refinery’ means a refinery for which average ag-  
3 gregate daily crude oil throughput for the cal-  
4 endar year (as determined by dividing the ag-  
5 gregate throughput for the calendar year by the  
6 number of days in the calendar year) does not  
7 exceed 75,000 barrels.

8                   “(2) RENEWABLE FUEL PROGRAM.—

9                   “(A) IN GENERAL.—

10                  “(i) REGULATIONS.—Not later than 1  
11 year after the date of enactment of this  
12 subsection, the Administrator shall promul-  
13 gate regulations ensuring that motor vehi-  
14 cle fuel sold or dispensed to consumers in  
15 the contiguous United States, on an an-  
16 nual average basis, contains the applicable  
17 volume of renewable fuel specified in sub-  
18 paragraph (B).

19                  “(ii) COMPLIANCE.—Regardless of the  
20 date of promulgation, the regulations shall  
21 contain compliance provisions for refiners,  
22 blenders, and importers, as appropriate, to  
23 ensure that the requirements of this sub-  
24 section are met, but shall not restrict  
25 where renewable fuel can be used, or im-

1 pose any per-gallon obligation for the use  
2 of renewable fuel.

“Calendar year:	Applicable volume of renewable fuel (in billions of gallons):
2006 .....	4.0
2007 .....	4.7
2008 .....	5.4
2009 .....	6.1
2010 .....	6.8
2011 .....	7.4
2012 .....	8.0



1                         “(I) the number of gallons of  
2                         gasoline that the Administrator esti-  
3                         mates will be sold or introduced into  
4                         commerce during the calendar year;  
5                         and

6                         “(II) the quotient obtained by di-  
7                         viding—

8                         “(aa) 8,000,000,000; by  
9                         “(bb) the number of gallons  
10                         of gasoline sold or introduced  
11                         into commerce during calendar  
12                         year 2012.

13                         “(3) APPLICABLE PERCENTAGES.—

14                         “(A) PROVISION OF ESTIMATE OF VOL-  
15                         UMES OF GASOLINE SALES.—Not later than Oc-  
16                         tober 31 of each of calendar years 2006  
17                         through 2011, the Administrator of the Energy  
18                         Information Administration shall provide to the  
19                         Administrator of the Environmental Protection  
20                         Agency an estimate of the volumes of gasoline  
21                         that will be sold or introduced into commerce in  
22                         the United States during the following calendar  
23                         year.

24                         “(B) DETERMINATION OF APPLICABLE  
25                         PERCENTAGES.—

1                             “(i) IN GENERAL.—Not later than  
2                             November 30 of each of calendar years  
3                             2006 through 2011, based on the estimate  
4                             provided under subparagraph (A), the Ad-  
5                             ministrator shall determine and publish in  
6                             the Federal Register, with respect to the  
7                             following calendar year, the renewable fuel  
8                             obligation that ensures that the require-  
9                             ments under paragraph (2) are met.

10                            “(ii) REQUIRED ELEMENTS.—The re-  
11                             newable fuel obligation determined for a  
12                             calendar year under clause (i) shall—

13                             “(I) be applicable to refiners,  
14                             blenders, and importers, as appro-  
15                             priate;

16                             “(II) be expressed in terms of a  
17                             volume percentage of gasoline sold or  
18                             introduced into commerce; and

19                             “(III) subject to subparagraph  
20                             (C)(i), consist of a single applicable  
21                             percentage that applies to all cat-  
22                             egories of persons specified in sub-  
23                             clause (I).

1                   “(C) ADJUSTMENTS.—In determining the  
2                   applicable percentage for a calendar year, the  
3                   Administrator shall make adjustments—

4                   “(i) to prevent the imposition of re-  
5                   dundant obligations to any person specified  
6                   in subparagraph (B)(ii)(I); and

7                   “(ii) to account for the use of renew-  
8                   able fuel during the previous calendar year  
9                   by small refineries that are exempt under  
10                   paragraph (11).

11                   “(4) EQUIVALENCY.—For the purpose of para-  
12                   graph (2), 1 gallon of either cellulosic biomass eth-  
13                   anol or waste derived ethanol shall be considered to  
14                   be the equivalent of 2.5 gallons of renewable fuel.

15                   “(5) CREDIT PROGRAM.—

16                   “(A) REGULATIONS.—The regulations pro-  
17                   mulgated to carry out this subsection shall pro-  
18                   vide for—

19                   “(i) the generation of an appropriate  
20                   amount of credits by any person that re-  
21                   fines, blends, or imports gasoline that con-  
22                   tains a quantity of renewable fuel that is  
23                   greater than the quantity required under  
24                   paragraph (2);

1                             “(ii) the generation of an appropriate  
2                             amount of credits for biodiesel fuel; and

3                             “(iii) if a small refinery notifies the  
4                             Administrator that the small refinery  
5                             waives the exemption provided by this sub-  
6                             section, the generation of credits by the  
7                             small refinery beginning in the year fol-  
8                             lowing the notification.

9                             “(B) USE OF CREDITS.—A person that  
10                             generates credits under subparagraph (A) may  
11                             use the credits, or transfer all or a portion of  
12                             the credits to another person, for the purpose  
13                             of complying with paragraph (2).

14                             “(C) LIFE OF CREDITS.—A credit gen-  
15                             erated under this paragraph shall be valid to  
16                             demonstrate compliance for the calendar year in  
17                             which the credit was generated.

18                             “(D) INABILITY TO PURCHASE SUFFICIENT  
19                             CREDITS.—The regulations promulgated to  
20                             carry out this subsection shall include provi-  
21                             sions permitting any person that is unable to  
22                             generate or purchase sufficient credits to meet  
23                             the requirement under paragraph (2) to carry  
24                             forward a renewables deficit if, for the calendar

1       year following the year in which the renewables  
2       deficit is created—

3               “(i) the person achieves compliance  
4               with the renewables requirement under  
5               paragraph (2); and

6               “(ii) generates or purchases additional  
7               renewables credits to offset the renewables  
8               deficit of the preceding year.

9       “(6) SEASONAL VARIATIONS IN RENEWABLE  
10      FUEL USE.—

11               “(A) STUDY.—For each of calendar years  
12               2006 through 2012, the Administrator of the  
13               Energy Information Administration, in con-  
14               sultation with the Secretary of Agriculture,  
15               shall conduct a study of renewable fuels blend-  
16               ing to determine whether there are excessive  
17               seasonal variations in the use of renewable  
18               fuels.

19               “(B) REGULATION OF EXCESSIVE SEA-  
20               SONAL VARIATION.—If, for any calendar year,  
21               the Administrator of the Energy Information  
22               Administration, based on the study under sub-  
23               paragraph (A), makes the determinations speci-  
24               fied in subparagraph (C), the Administrator  
25               shall promulgate regulations to ensure that 35

1 percent or more of the quantity of renewable  
2 fuels necessary to meet the requirements under  
3 paragraph (2) is used during each of the peri-  
4 ods specified in subparagraph (D) of each sub-  
5 sequent calendar year.

6 “(C) DETERMINATIONS.—The determina-  
7 tions referred to in subparagraph (B) are  
8 that—

9 “(i) less than 35 percent of the quan-  
10 tity of renewable fuels necessary to meet  
11 the requirements under paragraph (2) has  
12 been used during 1 of the periods specified  
13 in subparagraph (D) of the calendar year;

14 “(ii) a pattern of excessive seasonal  
15 variation described in clause (i) will con-  
16 tinue in subsequent calendar years; and

17 “(iii) promulgating regulations or  
18 other requirements to impose a 35 percent  
19 or more seasonal use of renewable fuels  
20 will not prevent or interfere with the at-  
21 tainment of national ambient air quality  
22 standards or significantly increase the  
23 price of motor fuels to the consumer.

24 “(D) PERIODS.—The 2 periods referred to  
25 in this paragraph are—

1                         “(i) April through September; and  
2                         “(ii) January through March and Oc-  
3                         tober through December.

4                         “(E) EXCLUSIONS.—Renewable fuels  
5                         blended or consumed in 2006 in a State that  
6                         has received a waiver under section 209(b) shall  
7                         not be included in the study under subpara-  
8                         graph (A).

9                         “(7) WAIVERS.—

10                         “(A) IN GENERAL.—The Administrator, in  
11                         consultation with the Secretary of Agriculture  
12                         and the Secretary of Energy, may waive the re-  
13                         quirements under paragraph (2), in whole or in  
14                         part, on a petition by 1 or more States by re-  
15                         ducing the national quantity of renewable fuel  
16                         required under this subsection—

17                         “(i) based on a determination by the  
18                         Administrator, after public notice and op-  
19                         portunity for comment, that implemen-  
20                         tation of the requirement would severely  
21                         harm the economy or environment of a  
22                         State, a region, or the United States; or

23                         “(ii) based on a determination by the  
24                         Administrator and the Secretary of Agri-  
25                         culture, after public notice and opportunity

1 for comment, that there is an inadequate  
2 domestic supply to meet the requirement.

3 “(B) PETITIONS FOR WAIVERS.—Not later  
4 than 90 days after the date on which a petition  
5 is received by the Administrator under subpara-  
6 graph (A), the Administrator, in consulta-  
7 tion with the Secretary of Agriculture and the Sec-  
8 retary of Energy, shall approve or disapprove  
9 the petition.

10 “(C) TERMINATION OF WAIVERS.—A waiv-  
11 er granted under subparagraph (A) shall termi-  
12 nate on the date that is 1 year after the date  
13 on which the waiver was granted, but may be  
14 renewed by the Administrator, after consulta-  
15 tion with the Secretary of Agriculture and the  
16 Secretary of Energy.

17 “(8) SMALL REFINERIES.—

18 “(A) IN GENERAL.—Paragraph (2) shall  
19 not apply to small refineries until the first cal-  
20 endar year beginning more than 5 years after  
21 the first year set forth in the table in paragraph  
22 (2)(B)(i).

23 “(B) STUDY.—Not later than December  
24 31, 2008, the Secretary of Energy shall com-  
25 plete for the Administrator a study to deter-

1                   mine whether the requirements under para-  
2                   graph (2) would impose a disproportionate eco-  
3                   nomic hardship on small refineries.

4                   “(C) SMALL REFINERIES AND ECONOMIC  
5                   HARDSHIP.—For any small refinery that the  
6                   Secretary of Energy determines would experi-  
7                   ence a disproportionate economic hardship, the  
8                   Administrator shall extend the small refinery  
9                   exemption for the small refinery for not less  
10                   than 2 additional years.

11                   “(D) ECONOMIC HARDSHIP.—

12                   “(i) EXTENSION OF EXEMPTION.—A  
13                   small refinery may at any time petition the  
14                   Administrator for an extension of the ex-  
15                   emption from the requirements under  
16                   paragraph (2) for the reason of dispropor-  
17                   tionate economic hardship.

18                   “(ii) EVALUATION.—In evaluating a  
19                   hardship petition, the Administrator, in  
20                   consultation with the Secretary of Energy,  
21                   shall consider the findings of the study in  
22                   addition to other economic factors.

23                   “(iii) DEADLINE FOR ACTION ON PE-  
24                   TITIONS.—The Administrator shall act on  
25                   any petition submitted by a small refinery

1 for a hardship exemption not later than 90  
2 days after the receipt of the petition.

6                             “(F) OPT-IN FOR SMALL REFINERS.—A  
7                             small refinery shall be subject to paragraph (2)  
8                             if the small refinery notifies the Administrator  
9                             that the small refinery waives the exemption  
10                            under subparagraph (C).

11        "(p) RENEWABLE FUEL SAFE HARBOR.—

12                   “(1)    SAFE    HARBOR.—Notwithstanding   any  
13                   other provision of Federal or State law, a renewable  
14                   fuel (as defined in subsection (o)(1)) that is used or  
15                   intended to be used as a motor vehicle fuel and any  
16                   motor vehicle fuel containing renewable fuel (as so  
17                   defined) shall not be considered or determined to be  
18                   defective in design or manufacture by reason of the  
19                   fact that the fuel is, or contains, renewable fuel, if—

20                   “(A) the fuel does not violate a control or  
21                   prohibition imposed by the Administrator under  
22                   this section; and

23                   “(B) the manufacturer of the fuel is in  
24                   compliance with all requests for information  
25                   under subsection (b).

1           “(2) WHEN SAFE HARBOR NOT APPLICABLE.—

2       In any case in which paragraph (1) does not apply  
3       to a quantity of fuel, the existence of a design defect  
4       or manufacturing defect with respect to the fuel  
5       shall be determined under otherwise applicable law.

6           “(3) EXCEPTION TO SAFE HARBOR.—Para-  
7       graph (1) does not apply to ethers.

8           “(4) EFFECTIVE DATE.—Paragraph (1) applies  
9       with respect to any claim filed on or after the date  
10       of the enactment of the Renewable Fuels Act of  
11       2005.”.

12       (b) PENALTIES AND ENFORCEMENT.—Section  
13       211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is  
14       amended—

15           (1) in paragraph (1)—

16           (A) in the first sentence, by striking “or  
17           (n)” and inserting “(n), or (o)” each place it  
18           appears; and

19           (B) in the second sentence, by striking “or  
20           (m)” and inserting “(m), or (o)”; and

21           (2) in the first sentence of paragraph (2), by  
22       striking “and (n)” and inserting “(n), and (o)” each  
23       place it appears.

1   **SEC. 102. FEDERAL AGENCY ETHANOL-BLENDED GASO-**  
2                   **LINE, AND BIODIESEL, PURCHASING RE-**  
3                   **QUIREMENT.**

4       Title III of the Energy Policy Act of 1992 is amended  
5    by striking section 306 (42 U.S.C. 13215) and inserting  
6    the following:

7   **“SEC. 306. FEDERAL AGENCY ETHANOL-BLENDED GASO-**  
8                   **LINE AND BIODIESEL PURCHASING REQUIRE-**  
9                   **MENT.**

10     “(a) ETHANOL-BLENDED GASOLINE.—The head of  
11    each Federal agency shall ensure that, in areas in which  
12    ethanol-blended gasoline is reasonably available at a gen-  
13    erally competitive price, the Federal agency purchases eth-  
14    anol-blended gasoline containing at least 10 percent eth-  
15    anol rather than nonethanol-blended gasoline, for use in  
16    vehicles used by the agency that use gasoline.

17     “(b) BIODIESEL.—

18       “(1) DEFINITION OF BIODIESEL.—In this sub-  
19    section, the term ‘biodiesel’ has the meaning given  
20    the term in section 312(f).

21       “(2) REQUIREMENT.—The head of each Fed-  
22    eral agency shall ensure that the Federal agency  
23    purchases, for use in fueling fleet vehicles that use  
24    diesel fuel used by the Federal agency at the loca-  
25    tion at which fleet vehicles of the Federal agency are  
26    centrally fueled, in areas in which the biodiesel-

1 blended diesel fuel described in subparagraphs (A)  
2 and (B) is available at a generally competitive  
3 price—

4                     “(A) as of the date that is 5 years after  
5                     the date of enactment of this paragraph, bio-  
6                     diesel-blended diesel fuel that contains at least  
7                     2 percent biodiesel, rather than nonbiodiesel-  
8                     blended diesel fuel; and

9                         “(B) as of the date that is 10 years after  
10                         the date of enactment of this paragraph, bio-  
11                         diesel-blended diesel fuel that contains at least  
12                         20 percent biodiesel, rather than nonbiodiesel-  
13                         blended diesel fuel.

14       “(3) REQUIREMENT OF FEDERAL LAW.—The  
15       provisions of this subsection shall not be considered  
16       a requirement of Federal law for the purposes of  
17       section 312.

18       “(c) EXEMPTION.—This section does not apply to  
19 fuel used in vehicles excluded from the definition of ‘fleet’  
20 by subparagraphs (A) through (H) of section 301(9).”.

21 SEC. 103. MONTHLY SURVEY OF RENEWABLE FUELS DE-  
22 MAND IN MOTOR VEHICLE FUELS MARKET.

23 (a) SURVEY REQUIRED.—The Secretary of Agri-  
24 culture, with the assistance of the Administrator of the  
25 Energy Information Administration, shall conduct and

1 publish the results of a monthly survey of renewable fuels  
2 demand in the motor vehicle fuels market in the United  
3 States monthly, and in a manner designed to protect the  
4 confidentiality of individual responses.

5 (b) CONTENT OF SURVEY.—In conducting the  
6 monthly survey required by subsection (a), the Secretary  
7 of Agriculture shall collect information, both on a national  
8 and regional basis, regarding—

- 9 (1) the quantity of renewable fuels produced;
- 10 (2) the quantity of renewable fuels blended;
- 11 (3) the quantity of renewable fuels imported;
- 12 (4) the quantity of renewable fuels demanded;
- 13 and
- 14 (5) the market price of renewable fuels.

15 (c) ROLE OF OFFICE OF ENERGY POLICY AND NEW  
16 USES.—The Office of Energy Policy and New Uses of the  
17 Department of Agriculture shall assist the Secretary of  
18 Agriculture in evaluating the effectiveness of the renew-  
19 able fuels mandate of the United States.

20 (d) RENEWABLE FUELS DEFINED.—In this section,  
21 the term “renewable fuel” has the meaning given that  
22 term in section 211(o)(1) of the Clean Air Act (42 U.S.C.  
23 7545(o)(1)).

1 **SEC. 104. COMMODITY CREDIT CORPORATION BIOENERGY**2 **PROGRAM.**

3 In order to assist with the implementation of the na-  
4 tional renewable fuels standard, funds made available  
5 under section 9010(c) of the Farm Security and Rural In-  
6 vestment Act of 2002 (7 U.S.C. 8108) for the bioenergy  
7 program of the Department of Agriculture for a fiscal year  
8 and unobligated by the end of that fiscal year shall remain  
9 available for obligation until expended.

10 **TITLE II—FEDERAL  
11 REFORMULATED FUELS**12 **SEC. 201. ELIMINATION OF OXYGEN CONTENT REQUIRE-**13 **MENT FOR REFORMULATED GASOLINE.**14 (a) **ELIMINATION.—**

15 (1) **IN GENERAL.**—Section 211(k) of the Clean  
16 Air Act (42 U.S.C. 7545(k)) is amended—

17 (A) in paragraph (2)—

18 (i) in the second sentence of subparagraph  
19 (A), by striking “(including the oxy-  
20 gen content requirement contained in sub-  
21 paragraph (B))”;

22 (ii) by striking subparagraph (B); and

23 (iii) by redesignating subparagraphs  
24 (C) and (D) as subparagraphs (B) and  
25 (C), respectively;

1 (B) in paragraph (3)(A), by striking clause  
2 (v); and  
3 (C) in paragraph (7)—  
4 (i) in subparagraph (A)—  
5 (I) by striking clause (i); and  
6 (II) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and  
7 (ii) in subparagraph (C)—  
8 (I) by striking clause (ii); and  
9 (II) by redesignating clause (iii) as clause (ii).  
10  
11  
12

20 (b) MAINTENANCE OF TOXIC AIR POLLUTANT EMIS-  
21 SION REDUCTIONS.—Section 211(k)(1) of the Clean Air  
22 Act (42 U.S.C. 7545(k)(1)) is amended—

23 (1) by striking “Within 1 year after the enact-  
24 ment of the Clean Air Act Amendments of 1990,”  
25 and inserting the following:

1                   “(A) IN GENERAL.—Not later than No-  
2                   vember 15, 1991,”; and

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

4                   “(B) MAINTENANCE OF TOXIC AIR POL-  
5                   LUTANT EMISSIONS REDUCTIONS FROM REFOR-  
6                   MULATED GASOLINE.—

7                   “(i) DEFINITION OF PADD.—In this  
8                   subparagraph, the term ‘PADD’ means a  
9                   Petroleum Administration for Defense Dis-  
10                   trict.

11                   “(ii) REGULATIONS REGARDING EMIS-  
12                   SIONS OF TOXIC AIR POLLUTANTS.—Not  
13                   later than 270 days after the date of en-  
14                   actment of this subparagraph, the Admin-  
15                   istrator shall establish, for each refinery or  
16                   importer, standards for toxic air pollutants  
17                   from use of the reformulated gasoline pro-  
18                   duced or distributed by the refinery or im-  
19                   porter that maintain the reduction of the  
20                   average annual aggregate emissions of  
21                   toxic air pollutants for reformulated gaso-  
22                   line produced or distributed by the refinery  
23                   or importer during calendar years 2001  
24                   and 2002, determined on the basis of data







1                             “(bb) promulgate revisions  
2                             to the regulations promulgated  
3                             under clause (ii), to take effect  
4                             not earlier than 180 days but not  
5                             later than 270 days after the  
6                             date of promulgation, to provide  
7                             that, notwithstanding clause  
8                             (iii)(II), all reformulated gasoline  
9                             produced or distributed at each  
10                            refinery or importer shall meet  
11                             the standards applicable under  
12                             clause (ii) not later than April 1  
13                             of the year following the report  
14                             under this subclause and for sub-  
15                             sequent years.

16                             “(vi) REGULATIONS TO CONTROL  
17                             HAZARDOUS AIR POLLUTANTS FROM  
18                             MOTOR VEHICLES AND MOTOR VEHICLE  
19                             FUELS.—Not later than July 1, 2006, the  
20                             Administrator shall promulgate final regu-  
21                             lations to control hazardous air pollutants  
22                             from motor vehicles and motor vehicle  
23                             fuels, as provided for in section 80.1045 of  
24                             title 40, Code of Federal Regulations (as

1                   in effect on the date of enactment of this  
2                   subparagraph).”.

3                (c) CONSOLIDATION IN REFORMULATED GASOLINE  
4 REGULATIONS.—Not later than 180 days after the date  
5 of enactment of this Act, the Administrator of the Envi-  
6 ronmental Protection Agency shall revise the reformulated  
7 gasoline regulations under subpart D of part 80 of title  
8 40, Code of Federal Regulations (or any successor regula-  
9 tions), to consolidate the regulations applicable to VOC-  
10 Control Regions 1 and 2 under section 80.41 of that title  
11 by eliminating the less stringent requirements applicable  
12 to gasoline designated for VOC-Control Region 2 and in-  
13 stead applying the more stringent requirements applicable  
14 to gasoline designated for VOC-Control Region 1.

15               (d) AUTHORITY OF ADMINISTRATOR.—Nothing in  
16 this section affects or prejudices any legal claim or action  
17 with respect to regulations promulgated by the Adminis-  
18 trator of the Environmental Protection Agency before the  
19 date of enactment of this Act regarding—

20                   (1) emissions of toxic air pollutants from motor  
21                   vehicles; or  
22                   (2) the adjustment of standards applicable to a  
23                   specific refinery or importer made under the prior  
24                   regulations.

1       (e) DETERMINATION REGARDING A STATE PETI-  
2 TION.—Section 211(k) of the Clean Air Act (42 U.S.C.  
3 7545(k)) is amended by inserting after paragraph (10) the  
4 following:

5               “(11) Determination regarding a state peti-  
6 tion—

7                       “(A) In general- Notwithstanding any  
8 other provision of this section, not later than 30  
9 days after the date of enactment of this para-  
10 graph, the Administrator shall determine the  
11 adequacy of any petition received from a Gov-  
12 ernor of a State to exempt gasoline sold in that  
13 State from the requirements under paragraph  
14 (2)(B).

15                       “(B) APPROVAL.—If a determination  
16 under subparagraph (A) is not made by the  
17 date that is 30 days after the date of enactment  
18 of this paragraph, the petition shall be consid-  
19 ered to be approved.”.

20 **SEC. 202. PUBLIC HEALTH AND ENVIRONMENTAL IMPACTS**  
21 **OF FUELS AND FUEL ADDITIVES.**

22       Section 211(b) of the Clean Air Act (42 U.S.C.  
23 7545(b)) is amended—

24               (1) in paragraph (2)—

1 (A) by striking “may also” and inserting  
2 “shall, on a regular basis,”; and

3 (B) by striking subparagraph (A) and in-  
4 serting the following:

5                     “(A) to conduct tests to determine poten-  
6                     tial public health and environmental effects of  
7                     the fuel or additive (including carcinogenic,  
8                     teratogenic, or mutagenic effects); and”; and

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

10           “(4) STUDY ON CERTAIN FUEL ADDITIVES AND  
11           BLENDSTOCKS.—

12                         “(A) IN GENERAL.—Not later than 2 years  
13                         after the date of enactment of this paragraph,  
14                         the Administrator shall—

20 " (I) ethyl tertiary butyl ether;

21 " (II) tertiary amy l methyl ether;

22 “(III) di-isopropyl ether;

23 " (IV) tertiary butyl alcohol;

1                         “(V) other ethers and heavy alco-  
2                         hols, as determined by the Adminis-  
3                         trator;

4                         “(VI) ethanol;

5                         “(VII) iso-octane; and

6                         “(VIII) alkylates;

7                         “(ii) conduct a study on the effects on  
8                         public health, air quality, and water re-  
9                         sources of the adjustment for ethanol-  
10                         blended reformulated gasoline to the VOC  
11                         performance requirements otherwise appli-  
12                         cable under sections 211(k)(1) and  
13                         211(k)(3); and

14                         “(iii) submit to the Committee on En-  
15                         vironment and Public Works of the Senate  
16                         and the Committee on Energy and Com-  
17                         merce of the House of Representatives a  
18                         report describing the results of these stud-  
19                         ies.

20                         “(B) CONTRACTS FOR STUDY.—In car-  
21                         rying out this paragraph, the Administrator  
22                         may enter into one or more contracts with non-  
23                         governmental entities including but not limited  
24                         to National Energy Laboratories and institu-  
25                         tions of higher education (as defined in section

1           101 of the Higher Education Act of 1965 (20  
2           U.S.C. 1001)).”.

3 **SEC. 203. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.**

4           Section 211 of the Clean Air Act (42 U.S.C. 7545)  
5 is amended by inserting after subsection (o) (as added by  
6 section 101(a)(2)) the following:

7           “(p) ANALYSES OF MOTOR VEHICLE FUEL CHANGES  
8 AND EMISSIONS MODEL.—

9           “(1) ANTI-BACKSLIDING ANALYSIS.—

10           “(A) DRAFT ANALYSIS.—Not later than 4  
11 years after the date of enactment of this sub-  
12 section, the Administrator shall publish for pub-  
13 lic comment a draft analysis of the changes in  
14 emissions of air pollutants and air quality due  
15 to the use of motor vehicle fuel and fuel addi-  
16 tives resulting from implementation of the  
17 amendments made by the Renewable Fuels Act  
18 of 2005.

19           “(B) FINAL ANALYSIS.—After providing a  
20 reasonable opportunity for comment, but not  
21 later than 5 years after the date of enactment  
22 of this paragraph, the Administrator shall pub-  
23 lish the analysis in final form.

24           “(2) EMISSIONS MODEL.—For the purposes of  
25 this subsection, as soon as the necessary data are

1 available, the Administrator shall develop and final-  
2 ize an emissions model that reasonably reflects the  
3 effects of gasoline characteristics or components on  
4 emissions from vehicles in the motor vehicle fleet  
5 during calendar year 2005.”.

6 **SEC. 204. ADDITIONAL OPT-IN AREAS UNDER REFORMU-**  
7 **LATED GASOLINE PROGRAM.**

8 Section 211(k)(6) of the Clean Air Act (42 U.S.C.  
9 7545(k)(6)) is amended to read as follows:

10 (1) by striking “(6) OPT-IN AREAS.—(A)  
11 Upon” and inserting the following:

12 “(6) OPT-IN AREAS.—

13 “(A) CLASSIFIED AREAS.—

14 “(i) IN GENERAL.—Upon”;

15 (2) in subparagraph (B), by striking “(B) If”  
16 and inserting the following:

17 “(ii) EFFECT OF INSUFFICIENT DO-  
18 MESTIC CAPACITY TO PRODUCE REFORMU-  
19 LATED GASOLINE.—If”;

20 (3) in subparagraph (A)(ii) (as redesignated by  
21 paragraph (2))—

22 (A) in the first sentence, by striking “sub-  
23 paragraph (A)” and inserting “clause (i)”; and

1 (B) in the second sentence, by striking  
2 “this paragraph” and inserting “this subpara-  
3 graph”; and

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

1 the date of receipt of an application  
2 under subclause (I), the Adminis-  
3 trator shall publish the application in  
4 the Federal Register.

1 there is insufficient capacity to supply  
2 reformulated gasoline, the Adminis-  
3 trator, by regulation—

18 SEC. 205. FEDERAL ENFORCEMENT OF STATE FUELS RE-  
19 REQUIREMENTS.

20 Section 211(c)(4)(C) of the Clean Air Act (42 U.S.C.

21 7545(c)(4)(C)) is amended—

22 (1) by striking “(C) A State” and inserting the  
23 following:

1                   “(C) AUTHORITY OF STATE TO CONTROL  
2                   FUELS AND FUEL ADDITIVES FOR REASONS OF  
3                   NECESSITY.—

4                   “(i) IN GENERAL.—A State”; and

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

6                   “(ii) ENFORCEMENT BY THE ADMINISTRATOR.—In  
7   any case in which a State prescribes and enforces a control  
8   or prohibition under clause (i), the Administrator, at the  
9   request of the State, shall enforce the control or prohibi-  
10   tion as if the control or prohibition had been adopted  
11   under the other provisions of this section.”.

12 **SEC. 206. FUEL SYSTEM REQUIREMENTS HARMONIZATION**

13                   **STUDY.**

14                   (a) STUDY.—

15                   (1) IN GENERAL.—The Administrator of the  
16   Environmental Protection Agency and the Secretary  
17   of Energy shall jointly conduct a study of Federal,  
18   State, and local requirements concerning motor vehi-  
19   cle fuels, including—

20                   (A) requirements relating to reformulated  
21   gasoline, volatility (measured in Reid vapor  
22   pressure), oxygenated fuel, and diesel fuel; and

23                   (B) other requirements that vary from  
24   State to State, region to region, or locality to  
25   locality.

7 (B) the effect of the requirements de-  
8 scribed in paragraph (1) on achievement of—

(i) national, regional, and local air quality standards and goals; and

11 (ii) related environmental and public  
12 health protection standards and goals;

13 (C) the effect of Federal, State, and local  
14 motor vehicle fuel regulations, including mul-  
15 tiple motor vehicle fuel requirements, on—

16 (i) domestic refineries;

17 (ii) the fuel distribution system; and

18 (iii) industry investment in new capac-

19 ity;

20 (D) the effect of the requirements de-  
21 scribed in paragraph (1) on emissions from ve-  
22 hicles, refineries, and fuel handling facilities;

23 (E) the feasibility of developing national or  
24 regional motor vehicle fuel slates for the 48  
25 contiguous States that, while protecting and im-

1 proving air quality at the national, regional,  
2 and local levels, could—

3 (i) enhance flexibility in the fuel dis-  
4 tribution infrastructure and improve fuel  
5 fungibility;

6 (ii) reduce price volatility and costs to  
7 consumers and producers;

10 (iv) enhance fuel quality, consistency,  
11 and supply; and

12 (F) the feasibility of providing incentives,  
13 and the need for the development of national  
14 standards necessary, to promote cleaner burn-  
15 ing motor vehicle fuel.

16 (b) REPORT.—

## 22 (2) RECOMMENDATIONS.—

23 (A) IN GENERAL.—The report shall con-  
24 tain recommendations for legislative and admin-  
25 istrative actions that may be taken—

- 1 (i) to improve air quality;
- 2 (ii) to reduce costs to consumers and
- 3 producers; and
- 4 (iii) to increase supply liquidity.

5 (B) REQUIRED CONSIDERATIONS.—The  
6 recommendations under subparagraph (A) shall  
7 take into account the need to provide advance  
8 notice of required modifications to refinery and  
9 fuel distribution systems in order to ensure an  
10 adequate supply of motor vehicle fuel in all  
11 States.

16 (A) the Governors of the States;  
17 (B) automobile manufacturers;  
18 (C) motor vehicle fuel producers and dis-  
19 tributors; and  
20 (D) the public.

1 **SEC. 207. REVIEW OF FEDERAL PROCUREMENT INITIA-**  
2 **TIVES RELATING TO USE OF RECYCLED**  
3 **PRODUCTS AND FLEET AND TRANSPOR-**  
4 **TATION EFFICIENCY.**

5 Not later than 180 days after the date of enactment  
6 of this Act, the Administrator of General Services shall  
7 submit to Congress a report that details efforts by each  
8 Federal agency to implement the procurement policies  
9 specified in Executive Order No. 13101 (63 Fed. Reg.  
10 49643; relating to governmental use of recycled products)  
11 and Executive Order No. 13149 (65 Fed. Reg. 24607; re-  
12 lating to Federal fleet and transportation efficiency).

13 **SEC. 208. REPORT ON RENEWABLE MOTOR FUEL.**

14 Not later than January 1, 2007, the Secretary of En-  
15 ergy and the Secretary of Agriculture shall jointly prepare  
16 and submit to Congress a report containing recommenda-  
17 tions for achieving, by January 1, 2025, at least 25 per-  
18 cent renewable fuel content (calculated on an average an-  
19 nual basis) for all gasoline sold or introduced into com-  
20 merce in the United States.

○