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To require that an increasing percentage of new automobiles be dual fueled automobiles, to revise the method for calculating corporate average fuel economy for such vehicles, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 10, 2005

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

A BILL

To require that an increasing percentage of new automobiles be dual fueled automobiles, to revise the method for calculating corporate average fuel economy for such vehicles, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fuel Security and Con-
5 sumer Choice Act”.

6 **SEC. 2. REQUIREMENT TO MANUFACTURER DUAL FUELED** 7 **AUTOMOBILES.**

8 (a) REQUIREMENT.—

1 (1) IN GENERAL.—Chapter 329 of title 49,
 2 United States Code, is amended by inserting after
 3 section 32902 the following:

4 **“§ 32902A. Requirement to manufacture dual fueled**
 5 **automobiles**

6 “(a) REQUIREMENT.—

7 “(1) IN GENERAL.—Each manufacturer of new
 8 automobiles that are capable of operating on gaso-
 9 line or diesel fuel shall ensure that the percentage of
 10 such automobiles, manufactured in any model year
 11 beginning not less than 18 months after the date of
 12 enactment of this section and distributed in com-
 13 merce for sale in the United States, which are dual
 14 fueled automobiles is equal to not less than the ap-
 15 plicable percentage set forth in the following table:

“For each of the following model years:	The percentage of dual fueled automobiles manufactured shall be not less than:
year 1	10
year 2	20
year 3	30
year 4	40
year 5	50
year 6	60
year 7	70
year 8	80
year 9	90
year 10 and beyond	100.

16 “(2) MODEL YEARS.—For purposes of the table
 17 under paragraph (1)—

1 “(A) the term ‘year 1’ means the first
2 model year beginning not less than 18 months
3 after the date of enactment of this section;

4 “(B) the term ‘year 2’ means the model
5 year immediately following the model year de-
6 scribed in subparagraph (A);

7 “(C) the term ‘year 3’ means the model
8 year immediately following the model year de-
9 scribed in subparagraph (B);

10 “(D) the term ‘year 4’ means the model
11 year immediately following the model year de-
12 scribed in subparagraph (C);

13 “(E) the term ‘year 5’ means the model
14 year immediately following the model year de-
15 scribed in subparagraph (D);

16 “(F) the term ‘year 6’ means the model
17 year immediately following the model year de-
18 scribed in subparagraph (E);

19 “(G) the term ‘year 7’ means the model
20 year immediately following the model year de-
21 scribed in subparagraph (F);

22 “(H) the term ‘year 8’ means the model
23 year immediately following the model year de-
24 scribed in subparagraph (G);

1 “(I) the term ‘year 9’ means the model
2 year immediately following the model year de-
3 scribed in subparagraph (H); and

4 “(J) the term ‘year 10’ means the model
5 year immediately following the model year de-
6 scribed in subparagraph (I).

7 “(b) PRODUCTION CREDITS FOR EXCEEDING
8 FLEXIBLE FUEL AUTOMOBILE PRODUCTION RE-
9 QUIREMENT.—

10 “(1) EARNING AND PERIOD FOR APPLYING
11 CREDITS.—If the number of dual fueled automobiles
12 manufactured by a manufacturer in a particular
13 model year exceeds the number required under sub-
14 section (a), the manufacturer earns credits under
15 this section, which may be applied to any of the 3
16 consecutive model years immediately after the model
17 year for which the credits are earned.

18 “(2) TRADING CREDITS.—A manufacturer that
19 has earned credits under paragraph (1) may sell
20 credits to another manufacturer to enable the pur-
21 chaser to meet the requirement under subsection
22 (a).”.

23 “(2) TECHNICAL AMENDMENT.—The table of
24 sections for chapter 329 of title 49, United States

1 Code, is amended by inserting after the item relating
 2 to section 32902 the following:

“32902A. Requirement to manufacture dual fueled automobiles.”.

3 (b) ACTIVITIES TO PROMOTE THE USE OF CERTAIN
 4 ALTERNATIVE FUELS.—The Secretary of Transportation
 5 shall carry out activities to promote the use of fuel mix-
 6 tures containing gasoline or diesel fuel and 1 or more al-
 7 ternative fuels, including a mixture containing at least 85
 8 percent of methanol, denatured ethanol, and other alcohols
 9 by volume with gasoline or other fuels, to power auto-
 10 mobiles in the United States.

11 **SEC. 3. MANUFACTURING INCENTIVES FOR DUAL FUELED**
 12 **AUTOMOBILES.**

13 Section 32905(b) of title 49, United States Code, is
 14 amended—

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

17 (2) by inserting “(1)” before “Except”;

18 (3) by striking “model years 1993–2010” and
 19 inserting “model year 1993 through the first model
 20 year beginning not less than 18 months after the
 21 date of enactment of the Fuel Security and Con-
 22 sumer Choice Act”; and

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

24 “(2) Except as provided in paragraph (5) of
 25 this subsection, subsection (d) of this section, or sec-

tion 32904(a)(2) of this title, the Administrator shall measure the fuel economy for each model of dual fueled automobiles manufactured by a manufacturer in the first model year beginning not less than 30 months after the date of enactment of the Fuel Security and Consumer Choice Act by dividing 1.0 by the sum of—

“(A) 0.7 divided by the fuel economy measured under section 32904(c) of this title when operating the model on gasoline or diesel fuel; and

“(B) 0.3 divided by the fuel economy measured under subsection (a) when operating the model on alternative fuel.

“(3) Except as provided in paragraph (5) of this subsection, subsection (d) of this section, or section 32904(a)(2) of this title, the Administrator shall measure the fuel economy for each model of dual fueled automobiles manufactured by a manufacturer in the first model year beginning not less than 42 months after the date of enactment of the Fuel Security and Consumer Choice Act by dividing 1.0 by the sum of—

“(A) 0.9 divided by the fuel economy measured under section 32904(c) of this title

1 when operating the model on gasoline or diesel
2 fuel; and

3 “(B) 0.1 divided by the fuel economy
4 measured under subsection (a) when operating
5 the model on alternative fuel.

6 “(4) Except as provided in subsection (d) of
7 this section, or section 32904(a)(2) of this title, the
8 Administrator shall measure the fuel economy for
9 each model of dual fueled automobiles manufactured
10 by a manufacturer in each model year beginning not
11 less than 54 months after the date of enactment of
12 the Fuel Security and Consumer Choice Act in ac-
13 cordance with section 32904(c) of this title.

14 “(5) Notwithstanding paragraphs (2) through
15 (4) of this subsection, the fuel economy for all dual
16 fueled automobiles manufactured to comply with the
17 requirements under section 32902A(a) of this title,
18 including automobiles for which dual fueled auto-
19 mobile credits have been used or traded under sec-
20 tion 32902A(b) of this title, shall be measured in ac-
21 cordance with section 32904(c) of this title.”.

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