S. 3807

To amend title 10, United States Code, to authorize long-term contracts for the purchase of liquid synthetic or biomass-derived aviation or aviation blend fuels for the Department of Defense, and for other purposes.

IN THE SENATE OF THE UNITED STATES

September 20, 2010

Mr. Baucus (for himself and Mr. Tester) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To amend title 10, United States Code, to authorize longterm contracts for the purchase of liquid synthetic or biomass-derived aviation or aviation blend fuels for the Department of Defense, 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 "American Security and
- 5 Freedom Fuels Act of 2010".

1	SEC. 2. AUTHORITY FOR LONG-TERM CONTRACTS FOR THE
2	PURCHASE OF CERTAIN LIQUID FUELS FOR
3	THE DEPARTMENT OF DEFENSE.
4	(a) Authority.—Subchapter II of chapter 173 of
5	title 10, United States Code, is amended by adding at the
6	end the following new section:
7	"§ 2922h. Liquid fuels: contracts for procurement of
8	synthetic or biomass-derived aviation or
9	aviation blend fuels
10	"(a) AUTHORITY TO CONTRACT.—The Secretary of
11	Defense may enter into one or more contracts for the pro-
12	curement of fuels described in subsection (b) for the De-
13	partment of Defense.
14	"(b) COVERED FUELS.—A fuel described in this sub-
15	section is a liquid fuel that is suitable for use as an avia-
16	tion fuel or aviation fuel blend and that—
17	"(1) is domestically produced;
18	"(2) is a synthetic fuel or derived from biomass;
19	"(3) is produced in a manner that does not pri-
20	marily compete with food stocks; and
21	"(4) meets the regulatory standards set forth
22	by the Environmental Protection Agency for renew-
23	able fuels standards pursuant to section 211(o) of
24	the Clean Air Act (42 II S.C. 7545(o))

- 1 "(c) Period of Contract.—The period of a con-
- 2 tract entered into under subsection (a) may not exceed
- 3 20 years.
- 4 "(d) Prohibition on Options.—A contract under
- 5 subsection (a) may not include any options.
- 6 "(e) REPORTS ON CONTRACTS.—Not later than three
- 7 years after entering into a contract under subsection (a),
- 8 the Secretary shall submit to Congress a report on the
- 9 contract. The report shall include the following:
- 10 "(1) A description of the performance of the
- 11 contract, including whether the contract is yielding
- savings to the Department of Defense when com-
- pared with the procurement of fuels that meet the
- specifications set forth in subsection (c) but are not
- procured under the authority in subsection (a).
- 16 "(2) In consultation with the Secretary of Com-
- merce, an assessment whether the contract has stim-
- 18 ulated the development of domestic energy infra-
- 19 structure.
- "(3) An assessment whether the expanded use
- of contracts such as the contract could reduce the
- vulnerability of the Department to disruptions in the
- global oil supply.".
- 24 (b) CLERICAL AMENDMENT.—The table of sections
- 25 at the beginning of subchapter II of chapter 173 of such

1 title is amended by adding at the end the following new

2 item:

"2922h. Liquid fuels: contracts for procurement of synthetic or biomass-derived aviation or aviation blend fuels".

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