

112TH CONGRESS
2D SESSION

H. R. 6314

To enable the Department of Energy and a Commission on Energy Independence and Domestic Refining Capacity the ability to study, recommend, and implement Federal incentive packages that would sustain and increase domestic refining capacity.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2012

Mr. FATTAH introduced the following bill; which was referred to the
Committee on Energy and Commerce

A BILL

To enable the Department of Energy and a Commission on Energy Independence and Domestic Refining Capacity the ability to study, recommend, and implement Federal incentive packages that would sustain and increase domestic refining capacity.

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 Energy Inde-
5 pendence and Domestic Refining Capacity Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The Federal Government has a vested inter-
2 est in promoting domestic energy independence.

3 (2) Federal incentives, including public-private
4 partnerships, tax incentives, loan guarantees, and di-
5 rect loans, have been used in the past to help foster
6 private sector growth in energy related industries.

7 (3) Demand for refined petroleum products
8 continues to rise as the economy recovers and devel-
9 oping nations increase their consumption.

10 (4) Due to a variety of factors, the refining in-
11 dustry has seen a number of refinery closures.

12 (5) These closures leads to a number of difficul-
13 ties, including reduction in short-term supply, longer
14 delivery times, higher prices of goods for consumers,
15 increased cost of production for businesses, rising
16 home heating prices, increased importation of gaso-
17 line from foreign countries, and less energy inde-
18 pendence.

19 (6) Reduced refining capacity will only increase
20 pressure on the industry to manage supply and meet
21 demand, as domestic refining capacity shifts and
22 contracts.

23 (7) The location of our refining facilities and
24 distribution networks is significant.

1 **SEC. 3. ESTABLISHMENT.**

2 There is established a commission to be known as the
3 “Commission on Energy Independence and Domestic Re-
4 fining Capacity” (in this Act referred to as the “Commis-
5 sion”).

6 **SEC. 4. REQUESTING STUDIES.**

7 The President may request the Commission to con-
8 duct a study described in section 5(a) to determine wheth-
9 er the consolidation or closing of a refinery will result in
10 an adverse decline in the Nation’s domestic refining capac-
11 ity.

12 **SEC. 5. DUTIES OF THE COMMISSION.**

13 (a) STUDIES.—Upon receipt of a request under sec-
14 tion 4, the Commission shall conduct a study to examine—

15 (1) the state of the domestic refining industry,
16 including the effect of the consolidation or refinery
17 closure on overall production, domestic economic
18 growth, and national gas prices;

19 (2) the possibilities for the Federal Government
20 to form public-private partnerships that would lead
21 to increased domestic refining capacity;

22 (3) the potential positive and adverse con-
23 sequences of Federal partnerships and incentives on
24 growth within the industry;

25 (4) the potential benefits of reinvesting a por-
26 tion of revenues from public-private partnerships

1 into energy related science, technology, engineering,
2 and mathematics education, and seeding future fed-
3 erally funded energy research; and

4 (5) the types of Federal incentives that could be
5 used to maintain domestic refining capacity includ-
6 ing—

7 (A) tax incentives;

8 (B) loan guarantees;

9 (C) direct loans;

10 (D) grants;

11 (E) land grants;

12 (F) credits;

13 (G) cooperative agreements;

14 (H) preferences; and

15 (I) other competitions.

16 (b) REPORT.—Not later than 3 months after the re-
17 quest for a study, the Commission shall submit to the
18 President and Congress a written report of the results of
19 the study conducted under subsection (a).

20 **SEC. 6. DUTIES OF THE SECRETARY.**

21 If the Commission’s study finds that a plant consoli-
22 dation or closure will have an adverse affect on the Na-
23 tion’s domestic refining capacity, the Secretary of Energy
24 (in this Act referred to as the “Secretary”) may offer Fed-

1 eral incentives to prevent the diminishment of refining ca-
2 pacity. These incentives include—

3 (1) formation of public-private partnerships to
4 increase the Nation’s refining capacity; and

5 (2) incentives designed to increase domestic re-
6 fining capacity, including the incentives described in
7 section 5(a)(5).

8 **SEC. 7. STAFF OF COMMISSION; EXPERTS AND CONSULT-**
9 **ANTS.**

10 (a) STAFF.—The Commission may, without regard to
11 section 5311(b) of title 5, United States Code, appoint and
12 fix the compensation of such personnel as the Commission
13 considers appropriate.

14 (b) APPLICABILITY OF CERTAIN CIVIL SERVICE
15 LAWS.—The staff of the Commission may be appointed
16 without regard to the provisions of title 5, United States
17 Code, governing appointments in the competitive service,
18 and without regard to the provisions of chapter 51 and
19 subchapter III of chapter 53 of such title relating to classi-
20 fication and General Schedule pay rates, except that the
21 compensation of any employee of the Commission may not
22 exceed a rate equal to the annual rate of basic pay payable
23 for GS–15 of the General Schedule under section 5332
24 of title 5, United States Code.

1 (c) EXPERTS AND CONSULTANTS.—The Commission
 2 may procure temporary and intermittent services of ex-
 3 perts and consultants under section 3109(b) of title 5,
 4 United States Code, but at rates for individuals not to
 5 exceed the daily equivalent of the maximum annual rate
 6 of basic pay under section 5332 of such title.

7 **SEC. 8. MEMBERSHIP.**

8 (a) NUMBER AND APPOINTMENT.—

9 (1) APPOINTMENT.—The Commission shall be
 10 composed of nine members appointed, not later than
 11 90 days after the date of enactment of this Act, as
 12 follows:

13 (A) Three members shall be appointed by
 14 the President.

15 (B) Two members shall be appointed by
 16 the Speaker of the House of Representatives.

17 (C) One member shall be appointed by the
 18 minority leader of the House of Representa-
 19 tives.

20 (D) Two members shall be appointed by
 21 the President pro tempore of the Senate.

22 (E) One member shall be appointed by the
 23 minority leader of the Senate.

24 (2) QUALIFICATIONS.—All members of the
 25 Commission shall be persons who are especially

1 qualified to serve on the Commission by virtue of
2 their education, training, or experience, particularly
3 in the fields of scientific research and commercializa-
4 tion.

5 (b) TERMS.—Each member shall be appointed for the
6 life of the Commission.

7 (c) VACANCIES.—A vacancy in the Commission shall
8 not affect the powers of the Commission and shall be filled
9 in the same manner in which the original appointment was
10 made.

11 (d) COMPENSATION.—Members of the Commission
12 shall be awarded compensation as follows:

13 (1) RATES OF PAY.—Except as provided in
14 paragraph (2), members shall each be paid at a rate
15 equal to the daily equivalent of the annual rate of
16 basic pay for grade GS–15 of the General Schedule
17 for each day (including travel time) during which
18 they are engaged in the actual performance of duties
19 vested in the Commission.

20 (2) PROHIBITION OF COMPENSATION OF FED-
21 ERAL EMPLOYEES.—Members of the Commission
22 who are full-time officers or employees of the United
23 States or Members of Congress may not receive ad-
24 ditional pay, allowances, or benefits by reason of
25 their service on the Commission.

1 (3) TRAVEL EXPENSES.—Each member shall
2 receive travel expenses, including per diem in lieu of
3 subsistence, in accordance with applicable provisions
4 under subchapter I of chapter 57 of title 5, United
5 States Code.

6 (e) QUORUM.—Four members of the Commission
7 shall constitute a quorum but a lesser number may hold
8 hearings.

9 (f) CHAIR; VICE CHAIR.—The Commission shall elect
10 a Chair and Vice Chair from among its members. The
11 term of office of the Chair and Vice Chair shall be for
12 the life of the Commission.

13 (g) MEETINGS.—The Commission shall meet at the
14 call of the President not later than 120 days after the
15 date of enactment of this Act or not later than 30 days
16 after the date on which legislation is enacted making ap-
17 propriations available to carry out this Act, whichever date
18 is later.

19 **SEC. 9. POWERS OF COMMISSION.**

20 (a) HEARINGS AND SESSIONS.—The Commission
21 may, for the purpose of carrying out this Act, hold hear-
22 ings, sit and act at times and places, take testimony, and
23 receive evidence relating to any matter under investigation
24 by the Commission. The Commission may refer requests
25 for testimony or evidence that are not fulfilled to the Com-

1 mittee on Oversight and Government Reform of the House
2 of Representatives or the Committee on Homeland Secu-
3 rity and Governmental Affairs of the Senate.

4 (b) POWERS OF MEMBERS AND AGENTS.—Any mem-
5 ber or agent of the Commission may, if authorized by the
6 Commission, take any action which the Commission is au-
7 thorized to take by this section.

8 (c) OBTAINING OFFICIAL DATA.—The Commission
9 may secure directly from any department or agency of the
10 United States information necessary to enable it to carry
11 out this Act. Upon request of the Chair or Vice Chair of
12 the Commission, the head of that department or agency
13 shall furnish that information to the Commission.

14 (d) ADMINISTRATIVE SUPPORT SERVICES.—The
15 Commission may enter into agreements with the Adminis-
16 trator of General Services for procurement of financial
17 and administrative services necessary for the discharge of
18 the duties of the Commission. Payment for such services
19 shall be made by reimbursement from funds of the Com-
20 mission in such amounts as may be agreed upon by the
21 Chair of the Commission and the Administrator of Gen-
22 eral Services.

23 (e) CONTRACT AUTHORITY.—To the extent or in the
24 amounts provided in advance in appropriation Acts, the
25 Commission may contract with and compensate govern-

1 ment and private agencies or persons for supplies, serv-
2 ices, and property.

3 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

4 There are authorized to be appropriated \$10,000,000
5 to carry out this Act.

