112TH CONGRESS 1ST SESSION S. 1085

To amend the Clean Air Act to define next generation biofuel, and to allow States the option of not participating in the corn ethanol portions of the renewable fuel standard due to conflicts with agricultural, economic, energy, or environmental goals.

IN THE SENATE OF THE UNITED STATES

May 26, 2011

Mr. INHOFE (for himself and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

A BILL

- To amend the Clean Air Act to define next generation biofuel, and to allow States the option of not participating in the corn ethanol portions of the renewable fuel standard due to conflicts with agricultural, economic, energy, or environmental goals.
 - 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. NEXT GENERATION BIOFUEL.

- 4 (a) DEFINITIONS.—Section 211(o)(1) of the Clean
 5 Air Act (42 U.S.C. 7545(o)(1)) is amended—
- 6 (1) by redesignating subparagraphs (E), (F),
- 7 (G), and (H) as subparagraphs (H), (E), (F), (G),

respectively, and moving subparagraph (H) (as so
 redesignated) to appear before subparagraph (I);
 and

4 (2) in subparagraph (H) (as redesignated by 5 (1)),by striking "CELLULOSIC paragraph BIOFUEL.—" and all that follows through "biomass" 6 and inserting "NEXT GENERATION BIOFUEL.—The 7 8 term 'next generation biofuel' means renewable fuel 9 that is derived from any cellulose, hemicellulose, 10 lignin, or algae that is derived from renewable bio-11 mass or nonethanol renewable fuel that is derived 12 from renewable biomass".

13 (b) STANDARD.—Section 211(o) of the Clean Air Act
14 (42 U.S.C. 7545(o)) is amended—

15 (1) in paragraph (2)—

16 (A) in subparagraph (A)(i), in the second
17 sentence, by striking "cellulosic" and inserting
18 "next generation"; and

19 (B) in subparagraph (B)—

20 (i) in clause (i)(III)—

21 (I) in the subclause heading, by
22 striking "CELLULOSIC" and inserting
23 "NEXT GENERATION";

24 (II) by striking "cellulosic" and
25 inserting "next generation"; and

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1	(III) in the heading of the right
2	column, by striking " cellulosic "
3	and inserting " next generation ";
4	(ii) in clause (ii)(III), by striking "cel-
5	lulosic" and inserting "next generation";
6	and
7	(iii) in clause (iv)—
8	(I) in the clause heading, by
9	striking "CELLULOSIC" and inserting
10	"NEXT GENERATION"; and
11	(II) by striking "cellulosic" and
12	inserting "next generation";
13	(2) in paragraphs $(3)(A)$, $(4)(A)$, and $(4)(B)$,
14	by striking "cellulosic" each place it appears and in-
15	serting "next generation"; and
16	(3) in paragraph $(7)(D)$ —
17	(A) in the subparagraph heading, by strik-
18	ing "Cellulosic" and inserting "NEXT GEN-
19	ERATION"; and
20	(B) by striking "cellulosic" each place it
21	appears and inserting "next generation".

1	SEC. 2. STATE OPTION OF NON-PARTICIPATION IN RENEW-
2	ABLE FUEL STANDARD.
3	Section $211(0)(2)(B)$ of the Clean Air Act (42 U.S.C.
4	7545(0)(2)(B)) is amended by adding at the end the fol-
5	lowing:
6	"(vi) Election of non-participa-
7	TION BY STATE GOVERNMENT.—
8	"(I) IN GENERAL.—For purposes
9	of subparagraph (A), the applicable
10	volume of renewable fuel as deter-
11	mined under this subparagraph shall
12	be adjusted in accordance with this
13	clause.
14	"(II) REQUIREMENTS.—On pas-
15	sage by a State legislature and signa-
16	ture by the Governor of the State of
17	a law that elects to not participate in
18	the applicable volume of renewable
19	fuel in accordance with this clause,
20	the Administrator shall allow a State
21	to not participate in the applicable
22	volume of renewable fuel determined
23	under subclause (I) of clause (i), other
24	than the applicable volumes of renew-
25	able fuel required under subclauses
26	(II), (III), and (IV) of that clause.

1	"(III) REDUCTION.—On the elec-
2	tion of a State under subclause (II),
3	the Administrator shall reduce the ap-
4	plicable volume of renewable fuel de-
5	termined under clause (i)(I) by the
6	percentage that reflects the national
7	gasoline consumption of the non-par-
8	ticipating State that is attributable to
9	that State.
10	"(IV) CREDITS TO HOLD FUEL
11	SALES HARMLESS.—On the election of
12	a State under subclause (II), the Ad-
13	ministrator shall provide for the gen-
14	eration of credits for all gasoline (re-
15	gardless of whether the gasoline is
16	blended) provided through a fuel ter-
17	minal in the State to be calculated as
18	though the gasoline were blended with
19	the maximum allowable ethanol con-
20	tent of gasoline allowed in that State
21	to apply toward the applicable volume
22	of renewable fuel determined under
23	clause (i)(I).".

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