

114TH CONGRESS
1ST SESSION

H. R. 1944

To provide regulatory relief to alternative fuel producers and consumers,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 2015

Mr. BLUM (for himself, Mr. BUCK, Mr. YOUNG of Iowa, and Mr. PETERSON) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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

A BILL

To provide regulatory relief to alternative fuel producers
and consumers, 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 Choice and De-
5 regulation Act of 2015”.

6 **SEC. 2. ALTERNATIVE FUELS.**

7 (a) AFTERMARKET CONVERSIONS OF MOTOR VEHI-
8 CLES TO ALTERNATIVE FUEL.—Section 203 of the Clean

1 Air Act (42 U.S.C. 7522) is amended by adding at the
2 end the following:

3 “(c) OLDER VEHICLES.—

4 “(1) IN GENERAL.—The aftermarket conversion
5 of a vehicle to alternative fuel operation shall not—

6 “(A) be considered tampering under this
7 section if the aftermarket conversion system
8 manufacturer or the person performing the con-
9 version is able to demonstrate that the develop-
10 ment and engineering sophistication of the con-
11 version technology is—

12 “(i) matched to an appropriate vehicle
13 or group of vehicles; and

14 “(ii) well-designed and installed in ac-
15 cordance with good engineering judgment
16 so that the aftermarket conversion system
17 does not degrade emission performance, as
18 compared to the performance of the vehicle
19 or vehicles before the conversion; or

20 “(B) require the issuance by the Adminis-
21 trator of any certificate of conformity.

22 “(2) LABEL.—The person performing a conver-
23 sion described in paragraph (1) shall affix a label to
24 the motor vehicle stating that—

1 “(A) the vehicle has been equipped with an
2 aftermarket conversion system; and

3 “(B) the installation of that system oc-
4 curred after the initial sale of the vehicle.

5 “(3) NO PRECLUSION OF ORDERS.—Nothing in
6 this subsection may be construed to preclude the Ad-
7 ministrator from issuing an order to prohibit the
8 manufacture, sale, distribution, or installation of an
9 aftermarket conversion system if the Administrator
10 has evidence that the installation of the aftermarket
11 conversion system on a vehicle degrades emission
12 performance.”.

13 (b) BIOMASS FUELS.—Section 211 of the Clean Air
14 Act (42 U.S.C. 7545) is amended by adding at the end
15 the following:

16 “(w) BIOMASS FUELS.—Notwithstanding any other
17 provision of this Act, the Administrator may not prohibit
18 or control biomass fuel (as defined in section 203 of the
19 Biomass Energy and Alcohol Fuels Act of 1980 (42
20 U.S.C. 8802)) under this Act.”.

21 **SEC. 3. CALCULATION OF AVERAGE FUEL ECONOMY.**

22 (a) DEFINITIONS.—Section 32901(a) of title 49,
23 United States Code, is amended—

24 (1) by redesignating paragraphs (13) through
25 (19) as paragraphs (19) through (26);

1 (2) by redesignating paragraphs (11) and (12)
2 as paragraphs (16) and (17), respectively;

3 (3) by redesignating paragraph (10) as para-
4 graph (13);

5 (4) by redesignating paragraphs (7), (8), and
6 (9) as paragraphs (8), (9), and (10), respectively;

7 (5) by inserting after paragraph (6) the fol-
8 lowing:

9 “(7) ‘biodiesel’—

10 “(A) means liquid fuel derived from bio-
11 mass that meets—

12 “(i) the registration requirements for
13 fuels and fuel additives established by the
14 Environmental Protection Agency under
15 section 211 of the Clean Air Act (42
16 U.S.C. 7545); and

17 “(ii) the requirements of the ASTM
18 Standard D6751; and

19 “(B) does not include any liquid with re-
20 spect to which a credit may be determined
21 under section 40 of the Internal Revenue Code
22 of 1986.”;

23 (6) by inserting after paragraph (10), as redes-
24 ignated, the following:

25 “(11) ‘E85’ means a fuel mixture that—

1 “(A) contains between 51 and 83 percent
2 ethanol; and

3 “(B) meets the specifications of the ASTM
4 Standard D5798.

5 “(12) ‘flexible fuel vehicle’ means a vehicle that
6 has been warranted to operate on gasoline, E85, and
7 M85.”;

8 (7) by inserting after paragraph (13), as redes-
9 ignated, the following:

10 “(14) ‘fuel choice enabling manufacturer’
11 means a manufacturer whose total fleet of auto-
12 mobiles manufactured for the most recent model
13 year for sale in the United States contains at least
14 50 percent fuel choice enabling vehicles.

15 “(15) ‘fuel choice enabling vehicle’ means an
16 automobile that—

17 “(A) has been warranted to operate on
18 natural gas, hydrogen, propane, or at least 20
19 percent biodiesel;

20 “(B) is a flexible fuel vehicle;

21 “(C) is a plug-in electric drive vehicle;

22 “(D) is propelled by a fuel cell that can
23 produce power without the use of petroleum or
24 a petroleum-based fuel; or

1 “(E)(i) is propelled by something other
2 than an internal combustion engine; and

3 “(ii) is warranted to operate on something
4 other than petroleum-based fuel.”;

5 (8) by inserting after paragraph (17), as redes-
6 ignated, the following:

7 “(18) ‘M85’ means a fuel mixture that—

8 “(A) contains up to 85 percent methanol;
9 and

10 “(B) meets the specifications of the ASTM
11 International Standard D5797.”; and

12 (9) by inserting after paragraph (25), as redes-
13 ignated, the following:

14 “(26) ‘plug-in electric drive vehicle’ has the
15 meaning given such term in section 508(a) of the
16 Energy Policy Act of 1992 (42 U.S.C. 13258(a)).”.

17 (b) FUEL CHOICE ENABLING MANUFACTURERS.—
18 Chapter 329 of title 49, United States Code, is amended—

19 (1) in section 32902, by adding at the end the
20 following:

21 “(l) DEEMED COMPLIANCE WITH THE CLEAN AIR
22 ACT.—If a fuel choice enabling manufacturer is in compli-
23 ance with all applicable standards prescribed under this
24 section for model year 2016 or any subsequent model year,
25 the automobiles manufactured by such manufacturer in

1 such model year are deemed to be in compliance with all
2 applicable greenhouse gas regulations established by the
3 Environmental Protection Agency pursuant to section 202
4 of the Clean Air Act (42 U.S.C. 7521).”;

5 (2) in section 32903(a), by amending para-
6 graph (2) to read as follows:

7 “(2) any of the 5 consecutive model years im-
8 mediately after the model year for which the credits
9 are earned, to the extent that such credits are not
10 used under paragraph (1);” and

11 (3) in section 32904—

12 (A) by redesignating subsections (d) and
13 (e) as subsections (e) and (f), respectively; and

14 (B) by inserting after subsection (c) the
15 following:

16 “(d) AVERAGE FUEL ECONOMY BONUS FOR FUEL
17 CHOICE ENABLING MANUFACTURERS.—The average fuel
18 economy of a fuel choice enabling manufacturer for a
19 model year is the sum of—

20 “(1) the average fuel economy of such manufac-
21 turer for such model year, as otherwise calculated
22 pursuant to this section; and

23 “(2) 8 miles per gallon.”.

24 (c) EFFECTIVE DATE.—The amendments made by
25 this section shall apply with respect to automobiles manu-

1 factured for model year 2016 or for any subsequent model
 2 year.

3 **SEC. 4. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NAT-**
 4 **URAL GAS AND PER ENERGY EQUIVALENT OF**
 5 **DIESEL.**

6 (a) IN GENERAL.—Section 4041(a)(2) of the Internal
 7 Revenue Code of 1986 is amended—

8 (1) in subparagraph (B)—

9 (A) in clause (i), by striking “and” at the
 10 end;

11 (B) in clause (ii)—

12 (i) by striking “liquefied natural
 13 gas,”;

14 (ii) by striking “peat), and” and in-
 15 serting “peat) and”; and

16 (iii) by striking the period at the end
 17 and inserting “, and”; and

18 (C) by adding at the end the following new
 19 clause:

20 “(iii) in the case of liquefied natural
 21 gas, 24.3 cents per energy equivalent of a
 22 gallon of diesel.”; and

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

24 “(C) ENERGY EQUIVALENT OF A GALLON
 25 OF DIESEL.—For purposes of this paragraph,

the term ‘energy equivalent of a gallon of diesel’ means, with respect to a liquefied natural gas fuel, the amount of such fuel having a Btu content of 128,700 (lower heating value).

“(D) ADMINISTRATIVE PROVISIONS.—For purposes of applying this title with respect to the taxes imposed by this subsection, references to any liquid subject to tax under this subsection shall be treated as including references to liquefied natural gas subject to tax under this paragraph.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale or use of liquefied natural gas after the date that is 14 days after the date of the enactment of this Act.

SEC. 5. ETHANOL WAIVER.

Section 211(h)(4) of the Clean Air Act (42 U.S.C. 7545(h)(4)) is amended—

(1) in the matter preceding subparagraph (A), by inserting “or more” after “10 percent”; and

(2) in subparagraph (C), by striking “additional alcohol or”.

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