Whereas many of the first responders who participate in such programs do so on their own time;

Whereas an effective response of local first responders to a terrorist attack saves lives; and

Whereas in response to a terrorist attack, first responders are exposed to a high risk of bodily harm and death as the first line of defense of the United States in managing the aftermath of the attack: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) expresses its profound sorrow for the deaths and injuries suffered by first responders as they endeavored to save innocent people in the aftermath of the terrorist attacks on the World Trade Center and the Pentagon on September 11, 2001;

(2) expresses its deepest sympathies to the families and loved ones of the fallen first responders;

(3) honors and commends the first responders who participated in evacuating and rescuing the innocent people in the World Trade Center and the Pentagon after the terrorist attacks;

(4) encourages the President to issue a proclamation calling upon the people of the United States to pay respect to the first responder community for their service in the aftermath of the terrorist attacks and their continuing efforts to save lives; and

(5) encourages all levels of government to continue to work together to effectively coordinate emergency preparedness by providing the infrastructure, funding, and interagency communication and cooperation necessary to ensure that if an attack occurs, first responders will be as prepared as possible to respond effectively.

Mr. NICKLES. Madam President, it is with great honor that I introduce this concurrent resolution on behalf of Senator INHOFE, Senator SCHUMER, Senator CLINTON, and myself, as well as many other original co-sponsors.

The resolution expresses Congress' profound sorrow for the loss of life and injuries suffered by ''first responders'' as a result of their efforts to save innocent Americans in the aftermath of the World Trade Center, Pentagon and Pennsylvania disasters on September 11, 2001. It also expresses our deepest condolences to the families and loved ones of the first responders who will never again return home.

Last Tuesday, in New York City and at the Pentagon, law enforcement, firefighters, and emergency medical personnel (first responders) were the first public-service personnel on the scene. If it were not for their heroic efforts immediately after these attacks, the death toll would be much higher.

We also believe that it is important for America to better understand the daily activities and responsibilities of first responders. Our everyday well-being, security and safety depend upon first responders' official duties. In preparation for these tragedies, first responders around the country plan, train and exercise for mass-casualty events. Our resolution recognizes the hard work and dedication of ''first responder'' personnel and thanks them for the long hours of training that many participate in on their own time.

In addition, this resolution recognizes the hard work and dedication of first responders after the 1993 World Trade Center and the 1995 Oklahoma City bombings.

First Responders exemplify great courage and patriotism in the darkest of hours and for this we are most grateful.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1587. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table.

SA 1588. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1589. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1590. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1591. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1592. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1593. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

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SA 1596. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1597. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1598. Mr. LEVIN (for himself and Mr. WARNER) proposed an amendment to the bill S. 1438, supra.

SA 1599. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1600. Mr. LOTT (for himself, Mr. HUTCHINSON, Mr. COCHRAN, and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1601. Mr. LOTT (for himself, Mr. BUNNING, Mr. HUTCHINSON, Mr. COCHRAN, Mr. STEVENS, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1602. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1603. Mr. LOTT (for himself and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill S. 1438, supra ; which was ordered to lie on the table.

SA 1604. Mr. LOTT (for himself and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill S. 1438, supra ; which was ordered to lie on the table.

SA 1605. Mr. TORRICELLI (for himself, Mr. CARPER, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1606. Mr. ALLARD (for himself and Mr. SMITH, of New Hampshire) submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1607. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1608. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1609. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1610. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1611. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1612. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1613. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1614. Mr. SMITH, of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1438, supra; which was ordered to lie on the table.

SA 1615. Mr. REID (for Mr. SARBANES (for himself and Mr. GRAMM)) proposed an amendment to the bill H.R. 2510, to extend the expiration date of the Defense Production Act of 1950, and for other purposes.

SA 1616. Mr. REID (for Mr. HOLLINGS (for himself and Mr. GREGG)) proposed an amendment to the bill H.R. 2500, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

TEXT OF AMENDMENTS

SA 1587. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe strengths for such fiscal year for the Armed Forces, and for other purpose; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 908. POSITION OF DEPUTY UNDER SECRETARY OF DEFENSE (DEPUTY COMPTROLLER).

(e) ESTABLISHMENT OF POSITION.—Chapter 4 of title 10, United States Code, is amended by inserting after section 135 the following new section:

''§ 135a. Deputy Under Secretary of Defense (Deputy Comptroller)

''(a) There is a Deputy Under Secretary of Defense (Deputy Comptroller) appointed

from civilian life by the President, by and with the advice and consent of the Senate.

''(b) The Deputy Under Secretary of Defense (Deputy Comptroller) shall assist the Under Secretary of Defense (Comptroller) in the performance of his duties. The Deputy Under Secretary of Defense (Deputy Comptroller) shall act for, and exercise the powers of, the Under Secretary when the Under Secretary is absent or disabled.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 135 following new item:

''135a. Deputy Under Secretary of Defense (Deputy Comptroller).''.

SA 1588. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe strengths for such fiscal year for the Armed Forces, and for other purpose; which was ordered to lie on the table; as follows:

At the end of subtitle D of title III, add the following:

SEC. 335. REAUTHORIZATION OF WARRANTY CLAIMS RECOVERY PILOT PROGRAM.

(a) EXTENSION OF AUTHORITY.—Subsection (f) of section 391 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1716; 10 U.S.C. 2304 note) is amended by striking ''September 30, 1999'' and inserting ''September 30, 2003''.

(b) REPORTING REQUIREMENTS.—Subsection (g) of such section is amended—

(1) in paragraph (1), by striking ''January 1, 2000'' and inserting ''January 1, 2003''; and

(2) in paragraph (2), by striking ''March 1, 2000'' and inserting ''March 1, 2003''.

SA 1589. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title III, add the following:

SEC. 335. COMPLIANCE OF THE DEFENSE AUTOMATED PRINTING SERVICE WITH FEDERAL PRINTING REQUIREMENTS.

(a) REPEAL OF REQUIREMENT.—Section 195 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter I of chapter 8 of such title is amended by striking the item relating to section 195.

SA 1590. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title X, add the following:

SEC. 1027. REPEAL OF REQUIREMENT FOR MONTHLY REPORTS ON ALLOCATION OF FUNDS WITHIN OPERATION AND MAINTENANCE BUDGET SUBACTIVITIES.

(a) REPEAL.—Section 228 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 9 of such title is amended by striking the item relating to section 228.

SA 1591. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle C of title X, add the following:

SEC. 1027. CONTENT OF PERIODIC REPORT ON COMBAT SUPPORT AGENCIES.

Section 193(a)(1) of title 10, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following new subparagraph (B):

''(B) a determination with respect to the effectiveness and efficiency of each such agency to support the armed forces; and''.

SA 1592. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

SEC. 908. REPEAL OF LIMITATION ON NUMBER OF PERSONNEL IN THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) REPEAL.—Section 143 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 4 of title 10, United States Code, is amended by striking the item relating to section 143.

SA 1593. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title XII, add the following:

SEC. 1217. AUTHORITY TO WAIVE SANCTIONS.

(a) AUTHORITY.—Notwithstanding any other provision of law, the President is authorized to waive any sanction imposed against any foreign country or government (including any agency or instrumentality thereof) or any foreign entity if the President determines that to do so would assist in efforts to combat global terrorism or is otherwise in the national security interests of the United States.

(b) CONGRESSIONAL NOTIFICATION.—Not less than 30 days prior to the exercise of any waiver authorized by subsection (a), the President shall notify Congress of his intention to exercise the waiver, together with an explanation of his reasons for the waiver.

(c) SANCTION DEFINED.—In this section, the term ''sanction'' means any prohibition or restriction with respect to a foreign country or government or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to—

(1) a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures; or

(2) a mandatory decision of the United Nations Security Council.

SA 1594. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title III, add the following:

SEC. 335. REVISION OF AUTHORITY TO WAIVE LIMITATION ON PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2466(c) of title 10, United States Code, is amended to read as follows:

''(c) WAIVER OF LIMITATION.—(1) The President may waive the limitation in subsection (a) for a fiscal year if—

''(A) the President determines that—

''(i) the waiver is necessary for reasons of national security; and

''(ii) compliance with the limitation cannot be achieved through effective management of depot operations consistent with those reasons; and

''(B) the President submits to Congress a notification of the waiver together with—

''(i) a discussion of the reasons for the waiver; and

''(ii) the plan for terminating the waiver and complying with the limitation within two years after the date of the first exercise of the waiver authority under this subsection.

''(2) The President may delegate only to the Secretary of Defense authority to exercise the waiver authority of the President under paragraph (1).''.

SA 1595. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

On page 380, after line 15, insert the following:

SEC. 1066. CLOSURE OF VIEQUES NAVAL TRAINING RANGE.

(a) CONDITIONAL AUTHORITY.—Title XV of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted by Public Law 106–398; 114 Stat. 1654A–348) is amended by striking sections 1503 and 1504 and inserting the following new section:

''SEC. 1503. CONDITIONS ON CLOSURE OF VIEQUES NAVAL TRAINING RANGE.

The Secretary of the Navy may close the Vieques Naval Training Range on the island of Vieques, Puerto Rico, and discontinue live-fire training at that range only if the Chief of Naval Operations and the Commandant of the Marine Corps jointly certify that the training range is no longer needed for the training of units of the Navy and the Marine Corps stationed or deployed in the eastern United States.''.

(b) ACTIONS RELATED TO CLOSURE.—(1) Section 1505 of such Act (114 Stat. 1654A–353) is amended—

(A) by striking subsection (a) and inserting the following:

''(a) TIME FOR TAKING ACTIONS.—The actions required or authorized under this section may only be taken upon the closure of the Vieques Naval Training Range by the Secretary of the Navy.'';

(B) in subsection (b)(1), by striking ''Not later than May 1, 2003, the'' and inserting ''The'';

(C) in subsection (d)(1), by striking ''pending the enactment of a law that addresses the disposition of such properties'';

(D) in subsection (e)(2), ''the referendum under section 1503'' and all that follows and inserting ''the Secretary of the Navy closes the Vieques Naval Training Range.''; and

(E) by adding at the end the following new subsection:

''(f) MILITARY USE OF TRANSFERRED PROPERTY DURING WAR OR NATIONAL EMERGENCY.—

''(1) TEMPORARY TRANSFER BY SECRETARY OF THE INTERIOR.—Upon a declaration of war by Congress or a declaration of a national emergency by the President or Congress, the Secretary of the Interior shall transfer the administrative jurisdiction of the Live Impact Area to the Secretary of the Navy notwithstanding the requirement to retain the property under subsection (d)(1).

''(2) TRAINING AUTHORIZED.—Training of the Armed Forces may be conducted in the Live Impact Area while the property is under the administrative jurisdiction of the Secretary of the Navy pursuant to a transfer made under that paragraph (1). The training may include live-fire training. Subsection (b) shall not apply to training authorized under this paragraph.

''(3) RETURN OF PROPERTY TO SECRETARY OF THE INTERIOR.—Upon the termination of the war or national emergency necessitating the transfer of administrative jurisdiction under paragraph (1), the Secretary of the Navy shall transfer the administrative jurisdiction of the Live Impact Area to the Secretary of the Interior, who shall assume responsibility for the property and administer the property in accordance with subsection (d).''.

(2) The heading of such section is amended to read as follows:

''SEC. 1505. ACTIONS UPON CLOSURE OF THE VIEQUES NAVAL TRAINING RANGE.''.

(c) CONFORMING AMENDMENT.—Section 1507(c) of such Act is amended by striking ''the issuance of a proclamation described in section 1504(a) or''.

SA 1596. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

DIVISION D—NATIONAL ENERGY SECURITY

SEC. 4001. ENACTMENT OF ENERGY PROVISIONS.

The provisions of H.R. 4 of the 107th Congress, as passed by the House of Representatives on August 2, 2001, are enacted into law.

SA 1597. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

DIVISION D—NATIONAL ENERGY SECURITY

SEC. 4001. SHORT TITLE.

This division may be cited as the ''National Energy Security Act of 2001''.

SEC. 4002. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) increasing dependence on foreign sources of oil causes systemic harm to all sectors of the United States economy, threatens national security, undermines the ability of Federal, State, and local units of government to provide essential services, and jeopardizes the peace, security, and welfare of the American people;

(2) dependence on imports of foreign oil was 46 percent in 1992, rose to more than 55 percent by the beginning of 2000, and is estimated by the Department of Energy to rise to 65 percent by 2020 unless current policies are altered;

(3) even with increased energy efficiency, energy use in the United States is expected to increase 27 percent by 2020;

(4) the United States lacks a comprehensive national energy policy and has taken actions that limit the availability and capability of the domestic energy sources of oil and gas, coal, nuclear and hydroelectric;

(5) a comprehensive energy strategy must be developed to combat this trend, decrease the United States dependence on imported oil supplies and strengthen our national energy security;

(6) this comprehensive strategy must decrease the United States dependence on foreign oil supplies to not more than 50 percent by the year 2011;

(7) this comprehensive energy strategy must be multi-faceted and enhance the use of renewable energy resources (including hydroelectric, solar, wind, geothermal and biomass), conserve energy resources (including improving energy efficiencies), and increase domestic supplies of conventional energy resources (including oil, natural gas, coal, and nuclear);

(8) conservation efforts and alternative fuels alone will not enable America to meet this goal as conventional energy sources supply 96 percent of America's power at this time; and

(9) immediate actions must also be taken to mitigate the economic effects of recent increases in the price of crude oil, natural gas, and electricity and the related impacts on American consumers, including the poor and the elderly.

(b) PURPOSES.—The purposes of this division are to protect the energy security of the United States by decreasing America's dependence on foreign oil sources to not more than 50 percent by 2010, by enhancing the use of renewable energy resources, conserving energy resources (including improving energy efficiencies), and increasing domestic energy supplies, improving environmental quality by reducing emissions of air pollutants and greenhouse gases, and mitigating the immediate effect of increases in energy prices on the American consumer, including the poor and the elderly.

TITLE I—GENERAL PROVISIONS TO PROTECT ENERGY SUPPLY AND SECURITY

SEC. 4101. CONSULTATION AND REPORT ON FEDERAL AGENCY ACTIONS AFFECTING DOMESTIC ENERGY SUPPLY.

Prior to taking or initiating any action that could have a significant adverse effect on the availability or supply of domestic energy resources or on the domestic capability to distribute or transport such resources, the head of a Federal agency proposing or participating in such action shall notify the Secretary of Energy in writing of the nature and scope of the action, the need for such action, the potential effect of such action on energy resource supplies, price, distribution, and transportation, and any alternatives to such action or options to mitigate the effects and shall provide the Secretary of Energy with adequate time to review the proposed action and make recommendations to avoid or minimize the adverse effect of the proposed action. The proposing agency shall consider any such recommendations made by the Secretary of Energy. The Secretary of Energy shall provide an annual report to the Committee on Energy and Natural Resources of the United States Senate and to the appropriate committees of the House of Representatives on all actions brought to his attention, what mitigation or alternatives, if any, were implemented, and what the short-term, mid-term, and long-term effect of the final action will likely be on domestic energy resource supplies and their development, distribution, or transmission.

SEC. 4102. ANNUAL REPORT ON UNITED STATES ENERGY INDEPENDENCE.

(a) REPORT.—Beginning on October 1, 2001, and annually thereafter, the Secretary of Energy, in consultation with the Secretary of Defense and the heads of other relevant Federal agencies, shall submit a report to the President and Congress which evaluates the progress the United States has made toward obtaining the goal of not more than 50 percent dependence on foreign oil sources by 2010.

(b) ALTERNATIVES.—The report shall specify legislative or administrative actions that must be implemented to meet this goal and set forth a range of options and alternatives with a benefit/cost analysis for each option or alternative together with an estimate of the contribution each option or alternative could make to reduce foreign oil imports. The Secretary shall solicit information from the public and request information from the Energy Information Agency and other agencies to develop the report. The report shall indicate, in detail, options and alternatives to (1) increase the use of renewable domestic energy sources, including conventional and non-conventional sources such as, but not limited to, increased hydroelectric generation at existing Federal facilities, (2) conserve energy resources, including improving efficiencies and decreasing consumption, and (3) increase domestic production and use of oil, natural gas, nuclear, and coal, including

any actions necessary to provide access to, and transportation of, these energy resources.

(c) REFINERY CAPACITY.—As part of the reports submitted in 2001, 2005, and 2008, the Secretary shall examine and report on the condition of the domestic refinery industry and the extent of domestic storage capacity for various categories of petroleum products and make such recommendations as he believes will enhance domestic capabilities to respond to short-term shortages of various fuels due to climate or supply interruptions and ensure long-term supplies on a reliable and affordable basis.

(d) NOTIFICATION TO CONGRESS.—Whenever the Secretary determines that stocks of petroleum products have declined or are anticipated to decline to levels that would jeopardize national security or threaten supply shortages or price increases on a national or regional basis, he shall immediately notify Congress of the situation and shall make such recommendations for administrative or legislative action as he believes are necessary to alleviate the situation.

SEC. 4103. STRATEGIC PETROLEUM RESERVE STUDY AND REPORT.

The President shall immediately establish an Interagency Panel on the Strategic Petroleum Study (referred to in this section as the ''Panel'') to study oil markets and estimate the extent and frequency of fluctuations in the supply and price of, and demand for crude oil in the future and determine appropriate capacity of and uses for the Strategic Petroleum Reserve. The Panel may recommend changes in existing authorities to strengthen the ability of the Strategic Petroleum Reserve to respond to energy requirements. The Panel shall complete its study and submit a report containing its findings and any recommendations to the President and Congress within 6 months from the date of enactment of this Act.

SEC. 4104. STUDY OF EXISTING RIGHTS-OF-WAY TO DETERMINE CAPABILITY TO SUPPORT NEW PIPELINES OR OTHER TRANSMISSION FACILITIES.

Not later than 1 year after the date of enactment of this Act, the head of each Federal agency that has authorized a right-of-way across Federal lands for transportation of energy supplies or transmission of electricity shall review each such right-of-way and submit a report to the Secretary of Energy and the Chairman of the Federal Energy Regulatory Commission whether the right-of-way can be used to support new or additional capacity and what modifications or other changes, if any, would be necessary to accommodate such additional capacity. In performing the review, the head of each agency shall consult with agencies of State or local units of government as appropriate and consider whether safety or other concerns related to current uses might preclude the availability of a right-of-way for additional or new transportation or transmission facilities and shall set forth those considerations in the report.

SEC. 4105. USE OF FEDERAL FACILITIES.

(a) The Secretary of the Interior and the Secretary of the Army shall each inventory all dams, impoundments, and other facilities under their jurisdiction.

(b) Based on this inventory and other information, the Secretary of the Interior and the Secretary of the Army shall each submit a report to Congress not later than 180 days after the date of enactment of this Act. Each report shall—

(1) describe, in detail, each facility that is capable, with or without modification, of producing additional hydroelectric power. For each such facility, the report shall state the full potential for the facility to generate hydroelectric power, whether the facility is currently generating hydroelectric power, and the costs to install, upgrade, modify, or take other actions to increase the hydroelectric generating capability of the facility. For each facility that currently has hydroelectric generating equipment, the report shall indicate the condition of such equipment, maintenance requirements, and schedule for any improvements as well as the purposes for which power is generated; and

(2) describe what actions are planned or underway to increase hydroelectric production from facilities under his jurisdiction and shall include any recommendations the Secretary deems advisable to increase such production, reduce costs, and improve efficiency at Federal facilities, including, but not limited to, use of lease of power privilege and contracting with non-Federal entities for operation and maintenance.

SEC. 4106. NUCLEAR GENERATION STUDY.

The Chairman of the Nuclear Regulatory Commission shall submit a report to Congress not later than 180 days after the date of enactment of this Act on the state of nuclear power generation and production in the United States and the potential for increasing nuclear generating capacity and production as part of this Nation's energy mix. The report shall include an assessment of agency readiness to license new advanced reactor designs and discuss the needed confirmatory and anticipatory research activities that would support such a state of readiness. The report shall also review the status of the relicensing process for civilian nuclear power plants, including current and anticipated applications, and recommendations for improvements in the process, including, but not limited to recommendations for expediting the process and ensuring that relicensing is accomplished in a timely manner.

SEC. 4107. DEVELOPMENT OF A NATIONAL SPENT NUCLEAR FUEL STRATEGY AND ESTABLISHMENT OF AN OFFICE OF SPENT NUCLEAR FUEL RESEARCH.

(a) DETERMINATION BY CONGRESS.—Prior to the Federal Government taking any irreversible action relating to the disposal of spent nuclear fuel, Congress must determine whether the spent fuel should be treated as waste subject to permanent burial or should be considered an energy resource that is needed to meet future energy requirements.

(b) OFFICE OF SPENT NUCLEAR FUEL RESEARCH.—There is hereby established an Office of Spent Nuclear Fuel Research (referred to in this section as the ''Office'') within the Office of Nuclear Energy Science and Technology of the Department of Energy. The Office shall be headed by the Associate Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Nuclear Energy Science and Technology, and compensated at a rate determined by applicable law.

(c) ASSOCIATE DIRECTOR.—The Associate Director of the Office of Spent Nuclear Fuel Research shall be responsible for carrying out an integrated research, development, and demonstration program on technologies for treatment, recycling, and disposal of high-level nuclear radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary. The Associate Director of the Office shall report to the Director of the Office of Nuclear Energy Science and Technology. The first such Associate Director shall be appointed not later than 90 days after the date of enactment of this Act.

(d) GRANT AND CONTRACT AUTHORITY.—In carrying out his responsibilities under this section, the Secretary may make grants, or enter into contracts, for the purposes of the research projects and activities described in (e)(2).

(e) DUTIES.—The Associate Director of the Office shall—

(1) involve national laboratories, universities, the commercial nuclear industry, and other organizations to investigate technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(2) develop a research plan to provide recommendations by 2015;

(3) identify technologies for the treatment, recycling, and disposal of spent nuclear fuel and high-level radioactive waste;

(4) conduct research and development activities on such technologies;

(5) ensure that all activities include as key objectives minimization of proliferation concerns and risk to health of the general public or site workers, as well as development of cost-effective technologies;

(6) require research on both reactor- and accelerator-based transmutation systems;

(7) require research on advanced processing and separations;

(8) encourage that research efforts include participation of international collaborators;

(9) be authorized to fund international collaborators when they bring unique capabilities not available in the United States and their host country is unable to provide for their support; and

(10) ensure that research efforts with the Office are coordinated with research on advanced fuel cycles and reactors conducted within the Office of Nuclear Energy Science and Technology.

(f) REPORT.—The Associate Director of the Office of Spent Nuclear Fuel Research shall annually prepare and submit a report to Congress on the activities and expenditures of the Office, including the progress that has been made to achieve the objectives of subsection (c).

SEC. 4108. STUDY AND REPORT ON STATUS OF DOMESTIC REFINING INDUSTRY AND PRODUCT DISTRIBUTION SYSTEM.

(a) ANNUAL REPORT.—The Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency, the States, the National Petroleum Council, and other representatives of the petroleum refining, distribution and retailing industries, shall submit a report to Congress on the condition of the domestic petroleum refining industry and the petroleum product distribution system. The first such report shall be submitted not later than January 1, 2002, and revised annually thereafter.

(b) RECOMMENDATIONS.—Each annual report shall include any recommendations that the Secretary believes should be implemented either through legislation or regulation to ensure that there is adequate domestic refining capacity and motor fuel supplies to meet the economic, social, and security requirements of the United States.

(c) PREPARATION.—In preparing each annual report, the Secretary shall—

(1) provide an assessment of the condition of the domestic petroleum refining industry and the Nation's motor fuel distribution system, including the ability to make future capital investments necessary to manufacture, transport, and store different petroleum products required by local, State, and Federal statute and regulations;

(2) examine the reliability and cost of feedstocks and energy supplied to the refining industry as well as the reliability and cost of products manufactured by such industry;

(3) provide an assessment of the collective effect of current and future motor fuel requirements on—

(A) the ability of the domestic motor fuels refining, distribution, and retailing industries to reliably and cost-effectively supply fuel to the Nation's consumers and businesses;

(B) gasoline (reformulated and conventional) and diesel fuel (on-highway and off-highway) supplies; and

(C) retail motor fuel price volatility;

(4) explore opportunities to streamline permitting and siting decisions and approvals for expanding existing and/or building new domestic refining capacity;

(5) recommend actions that can be taken to reduce future motor supply concerns; and

(6) provide an assessment of whether uniform, regional, or national performance-based fuel specifications would reduce supply disruptions and price spikes.

(d) CONFIDENTIALITY OF DATA.—Any information requested by the Secretary to be submitted by industry for purposes of this section shall be treated as confidential and shall be used only for the preparation of the annual report.

SEC. 4109. REVIEW OF FEDERAL ENERGY REGULATORY COMMISSION NATURAL GAS PIPELINE CERTIFICATION PROCEDURES.

The Federal Energy Regulatory Commission shall, in consultation with other appropriate Federal agencies, immediately undertake a comprehensive review of policies, procedures, and regulations for the certification of natural gas pipelines to determine how to reduce the cost and time of obtaining a certificate. The Commission shall report its findings not later than 180 days after the date of enactment of this Act to the Senate Committee on Energy and Natural Resources and the appropriate committees of the United States House of Representatives, including any recommendations for legislative changes.

SEC. 4110. ANNUAL REPORT ON AVAILABILITY OF DOMESTIC ENERGY RESOURCES TO MAINTAIN THE ELECTRICITY GRID OF THE UNITED STATES.

(a) Beginning on October 1, 2001, and annually thereafter, the Secretary of Energy, in consultation with the Federal Energy Regulatory Commission and the North American Electric Reliability Council, States, and appropriate regional organizations, shall submit a report to the President and Congress which evaluates the availability and capacity of domestic sources of energy generation to maintain the electricity grid in the United States. Specifically, the Secretary shall evaluate each region of the country with regard to grid stability during peak periods, such as summer, and options for improving grid stability.

(b) The report shall specify specific legislative or administrative actions that could be implemented to improve baseload generation and set forth a range of options and alternatives with a benefit/cost analysis for each option or alternative together with an estimate of the contribution each option or alternative could make to reduce foreign oil imports. The report shall indicate, in detail, options and alternatives to (1) increase the use of nonemitting domestic energy sources, including conventional and nonconventional sources such as, but not limited to, increased nuclear energy generation, and (2) conserve energy resources, including improving efficiencies and decreasing fuel consumption.

SEC. 4111. STUDY OF FINANCING FOR NEW TECHNOLOGIES.

(a) The Secretary of Energy shall undertake an independent assessment of innovative financing techniques to encourage and enable construction of new electricity supply technologies with high initial capital costs that might not otherwise be built in a deregulated market.

(b) The assessment shall be conducted by a firm with proven expertise in financing large capital projects or in financial services consulting, and is to be provided to Congress not later than 270 days after the date of enactment of this Act.

(c) The assessment shall include a comprehensive examination of all available techniques to safeguard private investors in high capital technologies—including advanced design power plants including, but not limited to, nuclear—against government-imposed risks that are beyond the investors' control. Such techniques may include (but not be limited to) Federal loan guarantees, Federal price guarantees, special tax considerations, and direct Federal Government investment.

SEC. 4112. REVIEW OF REGULATIONS TO ELIMINATE BARRIERS TO EMERGING ENERGY TECHNOLOGY.

(a) IN GENERAL.—Each Federal agency shall carry out a review of its regulations and standards to determine those that act as a barrier to market entry for emerging energy-efficient technologies, including, but not limited to, fuel cells, combined heat and power, and distributed generation (including small-scale renewable energy).

(b) REPORT TO CONGRESS.—Not later than eighteen months from date of enactment of this section, each agency shall provide a report to Congress and the President detailing all regulatory barriers to emerging energy-efficient technologies, along with actions the agency intends to take, or has taken, to remove such barriers.

(c) PERIODIC REVIEW.—Each agency shall subsequently review its regulations and standards in this manner no less frequently than every 5 years, and report their findings to Congress and the President. Such reviews shall include a detailed analysis of all agency actions taken to remove existing barriers to emerging energy technologies.

SEC. 4113. INTERAGENCY AGREEMENT ON ENVIRONMENTAL REVIEW OF INTERSTATE NATURAL GAS PIPELINE PROJECTS.

The Secretary of Energy, in coordination with the Federal Energy Regulatory Commission, shall establish an administrative interagency task force to develop an interagency agreement to expedite and facilitate the environmental review and permitting of interstate natural gas pipeline projects. The task force shall include the Bureau of Land Management and the Fish and Wildlife Service in the Department of the Interior, the United States Army Corps of Engineers, the United States Forest Service, the Environmental Protection Agency, the Advisory Council on Historic Preservation and such other agencies as the Office and the Federal Energy Regulatory Commission deem appropriate. The interagency agreement shall require that agencies complete their review of interstate pipeline projects within a specific period of time after referral of the matter by the Federal Energy Regulatory Commission. The agreement shall be completed within 6 months after the effective date of this section.

SEC. 4114. PIPELINE INTEGRITY, SAFETY, AND RELIABILITY RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary of Transportation, in coordination with the Secretary of Energy, shall develop and implement an accelerated cooperative program of research and development to ensure the integrity of natural gas and hazardous liquid pipelines. This research and development program shall include materials inspection techniques, risk assessment methodology, and information systems surety.

(b) PURPOSE.—The purpose of the cooperative research program shall be to promote research and development to—

(1) ensure long-term safety, reliability and service life for existing pipelines;

(2) expand capabilities of internal inspection devices to identify and accurately measure defects and anomalies;

(3) develop inspection techniques for pipelines that cannot accommodate the internal inspection devices available on the date of enactment;

(4) develop innovative techniques to measure the structural integrity of pipelines to prevent pipeline failures;

(5) develop improved materials and coatings for use in pipelines;

(6) improve the capability, reliability, and practicality of external leak detection devices;

(7) identify underground environments that might lead to shortened service life;

(8) enhance safety in pipeline siting and land use;

(9) minimize the environmental impact of pipelines;

(10) demonstrate technologies that improve pipeline safety, reliability, and integrity;

(11) provide risk assessment tools for optimizing risk mitigation strategies; and

(12) provide highly secure information systems for controlling the operation of pipelines.

(c) AREAS.—In carrying out this section, the Secretary of Transportation, in coordination with the Secretary of Energy, shall consider research and development on natural gas, crude oil, and petroleum product pipelines for—

(1) early crack, defect, and damage detection, including real-time damage monitoring;

(2) automated internal pipeline inspection sensor systems;

(3) land use guidance and set back management along pipeline rights-of-way for communities;

(4) internal corrosion control;

(5) corrosion-resistant coatings;

(6) improved cathodic protection;

(7) inspection techniques where internal inspection is not feasible, including measurement of structural integrity;

(8) external leak detection, including portable real-time video imaging technology, and the advancement of computerized control center leak detection systems utilizing real-time remote field data input;

(9) longer life, high strength, non-corrosive pipeline materials;

(10) assessing the remaining strength of existing pipes;

(11) risk and reliability analysis models, to be used to identify safety improvements that could be realized in the near term resulting from analysis of data obtained from a pipeline performance tracking initiative;

(12) identification, monitoring, and prevention of outside force damage, including satellite surveillance; and

(13) any other areas necessary to ensuring the public safety and protecting the environment.

(d) RESEARCH AND DEVELOPMENT PROGRAM PLAN.—Within 240 days after the date of enactment of this section, the Secretary of Transportation, in coordination with the Secretary of Energy and the Pipeline Integrity Technical Advisory Committee, shall prepare and submit to Congress a 5-year program plan to guide activities under this section. In preparing the program plan, the Secretary shall consult with the appropriate representatives of the natural gas, crude oil, and petroleum product pipeline industries to select and prioritize appropriate project proposals. The Secretary may also seek the advice of utilities, manufacturers, institutions of higher learning, Federal agencies, the pipeline research institutions, national laboratories, State pipeline safety officials, environmental organizations, pipeline safety advocates, and professional and technical societies.

(e) IMPLEMENTATION.—The Secretary of Transportation shall have primary responsibility for ensuring the 5-year plan provided for in subsection (d) is implemented as intended by this section. In carrying out the

research, development, and demonstration activities under this section, the Secretary of Transportation and the Secretary of Energy may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.), grants, joint ventures, other transactions, and any other form of agreement available to the Secretary consistent with the recommendations of the Advisory Committee.

(f) REPORTS TO CONGRESS.—The Secretary of Transportation shall report to Congress annually as to the status and results to date of the implementation of the research and development program plan. The report shall include the activities of the Departments of Transportation and Energy, the national laboratories, universities, and any other research organizations, including industry research organizations.

(g) PIPELINE INTEGRITY TECHNICAL ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—The Secretary of Transportation shall enter into appropriate arrangements with the National Academy of Sciences to establish and manage the Pipeline Integrity Technical Advisory Committee for the purpose of advising the Secretary of Transportation and the Secretary of Energy on the development and implementation of the 5-year research, development, and demonstration program plan as defined in subsection (d). The Advisory Committee shall have an ongoing role in evaluating the progress and results of the research, development, and demonstration carried out under this section.

(2) MEMBERSHIP.—The National Academy of Sciences shall appoint the members of the Pipeline Integrity Technical Advisory Committee after consultation with the Secretary of Transportation and the Secretary of Energy. Members appointed to the Advisory Committee should have the necessary qualifications to provide technical contributions to the purposes of the Advisory Committee.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Transportation and to the Secretary of Energy for carrying out this section such sums as may be necessary for each of the fiscal years 2002 through 2006.

SEC. 4115. RESEARCH AND DEVELOPMENT FOR NEW NATURAL GAS TECHNOLOGIES.

(a) The Secretary of Energy shall conduct a comprehensive 5-year program for research, development and demonstration to improve the reliability, efficiency, safety and integrity of the natural gas transportation and distribution infrastructure and for distributed energy resources (including microturbines, fuel cells, advanced engine-generators gas turbines reciprocating engines, hybrid power generation systems, and all ancillary equipment for dispatch, control and maintenance).

(b) There are authorized to be appropriated such sums as may be necessary for the purposes of this section.

TITLE II—TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM FOR ADVANCED CLEAN COAL TECHNOLOGY FOR COAL-BASED ELECTRICITY GENERATING FACILITIES

SEC. 4201. PURPOSE.

The purpose of this title is to direct the Secretary of Energy (referred to in this title as the ''Secretary'') to—

(1) establish a coal-based technology development program designed to achieve cost and performance goals;

(2) carry out a study to identify technologies that may be capable of achieving, either individually or in combination, the cost and performance goals and for other purposes; and

(3) implement a research, development, and demonstration program to develop and demonstrate, in commercial-scale applications, advanced clean coal technologies for coal-fired generating units constructed before the date of enactment of this title.

SEC. 4202. COST AND PERFORMANCE GOALS.

(a) IN GENERAL.—The Secretary shall perform an assessment that identifies costs and associated performance of technologies that would permit the continued cost-competitive use of coal for electricity generation, as chemical feedstocks, and as transportation fuel in 2007, 2015, and the years after 2020.

(b) CONSULTATION.—In establishing cost and performance goals, the Secretary shall consult with representatives of—

(1) the United States coal industry;

(2) State coal development agencies;

(3) the electric utility industry;

(4) railroads and other transportation industries;

(5) manufacturers of equipment using advanced coal technologies;

(6) organizations representing workers; and

(7) organizations formed to—

(A) further the goals of environmental protection;

(B) promote the use of coal; or

(C) promote the development and use of advanced coal technologies.

(c) TIMING.—The Secretary shall—

(1) not later than 120 days after the date of enactment of this Act, issue a set of draft cost and performance goals for public comment; and

(2) not later than 180 days after the date of enactment of this Act, and after taking into consideration any public comments received, submit to Congress the final cost and performance goals.

SEC. 4203. STUDY.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the Secretary of the Interior and the Administrator of the Environmental Protection Agency, shall conduct a study to—

(1) identify technologies capable of achieving cost and performance goals, either individually or in various combinations;

(2) assess costs that would be incurred by, and the period of time that would be required for, the development and demonstration of technologies that contribute, either individually or in various combinations, to the achievement of cost and performance goals; and

(3) develop recommendations for technology development programs, which the Department of Energy could carry out in cooperation with industry, to develop and demonstrate such technologies.

(b) COOPERATION.—In carrying out this section, the Secretary shall give appropriate consideration to the expert advice of representatives from the entities described in section 4111(b).

SEC. 4204. TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a program of research on and development, demonstration, and commercial application of coal-based technologies under—

(1) this division;

(2) the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.);

(3) the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.); and

(4) title XVI of the Energy Policy Act of 1992 (42 U.S.C. 13381 et seq.).

(b) CONDITIONS.—The research, development, demonstration, and commercial application programs identified in section 4203(a) shall be designed to achieve the cost and performance goals, either individually or in various combinations.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the President and Congress a report containing—

(1) a description of the programs that, as of the date of the report, are in effect or are to be carried out by the Department of Energy to support technologies that are designed to achieve the cost and performance goals; and

(2) recommendations for additional authorities required to achieve the cost and performance goals.

SEC. 4205. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out the provisions of sections 4202, 4203, and 4204, $100,000,000 for each of fiscal years 2002 through 2012, to remain available until expended.

(b) CONDITIONS OF AUTHORIZATION.—The authorization of appropriations under subsection (a)—

(1) shall be in addition to authorizations of appropriations in effect on the date of enactment of this Act; and

(2) shall not be a cap on Department of Energy fossil energy research and development and clean coal technology appropriations.

SEC. 4206. POWER PLANT IMPROVEMENT INITIATIVE.

(a) IN GENERAL.—The Secretary shall carry out a power plant improvement initiative program that will demonstrate commercial applications of advanced coal-based technologies applicable to new or existing power plants, including co-production plants, that, either individually or in combination, advance the efficiency, environmental performance and cost competitiveness well beyond that which is in operation or has been demonstrated to date.

(b) PLAN.—Not later than 120 days after the date of enactment of this title, the Secretary shall submit to Congress a plan to carry out subsection (a) that includes a description of—

(1) the program elements and management structure to be used;

(2) the technical milestones to be achieved with respect to each of the advanced coal-based technologies included in the plan; and

(3) the demonstration activities that will benefit new or existing coal-based electric generation units having at least a 50 megawatt nameplate rating including improvements to allow the units to achieve either—

(A) an overall design efficiency improvement of not less than 3 percentage points as compared with the efficiency of the unit as operated on the date of enactment of this title and before any retrofit, repowering, replacement or installation;

(B) a significant improvement in the environmental performance related to the control of sulfur dioxide, nitrogen oxide or mercury in a manner that is well below the cost of technologies that are in operation or have been demonstrated to date; or

(C) a means of recycling or reusing a significant proportion of coal combustion wastes produced by coal-based generating units excluding practices that are commercially available at the date of enactment.

SEC. 4207. FINANCIAL ASSISTANCE.

(a) IN GENERAL.—Not later than 180 days after the date on which the Secretary submits to Congress the plan under section 4206(b), the Secretary shall solicit proposals for projects which serve or benefit new or existing facilities and, either individually or in combination, are designed to achieve the levels of performance set forth in section 4206(b)(3).

(b) PROJECT CRITERIA.—A solicitation under subsection (a) may include solicitation of a proposal for a project to demonstrate—

(1) the reduction of emissions of 1 or more pollutants; or

(2) the production of coal combustion byproducts that are capable of obtaining economic values significantly greater than byproducts produced on the date of enactment of this title.

(c) FINANCIAL ASSISTANCE.—The Secretary shall provide financial assistance to projects that—

(1) demonstrate overall cost reductions in the utilization of coal to generate useful forms of energy;

(2) improve the competitiveness of coal among various forms of energy to maintain a diversity of fuel choices in the United States to meet electricity generation requirements;

(3) achieve in a cost-effective manner, 1 or more of the criteria set out in the solicitation; and

(4) demonstrate technologies that are applicable to 25 percent of the electricity generating facilities that use coal as the primary feedstock on the date of enactment of this title.

(d) FEDERAL SHARE.—The Federal share of the cost of any project funded under this section shall not exceed 50 percent.

(e) EXEMPTION FROM NEW SOURCE REVIEW PROVISIONS.—A project funded under this section shall be exempt from the new source review provisions of the Clean Air Act (42 U.S.C. 7401 et seq.).

SEC. 4208. FUNDING.

To carry out sections 4206 and 4207, there are authorized to be appropriated such sums as may be necessary.

SEC. 4209. RESEARCH AND DEVELOPMENT FOR ADVANCED SAFE AND EFFICIENT COAL MINING TECHNOLOGIES.

(a) The Secretary of Energy shall establish a cooperative research partnership involving appropriate Federal agencies, coal producers, including associations, equipment manufacturers, universities with mining engineering departments, and other relevant entities to develop mining research priorities identified by the Mining Industry of the Future Program and in the National Academy of Sciences report on Mining Technologies, establish a process for joint industry-government research; and expand mining research capabilities at universities.

(b) There are authorized to be appropriated to carry out the requirements of this section, $10,000,000 in fiscal year 2002, $12,000,000 in fiscal year 2003, and $15,000,000 in fiscal year 2004. At least 20 percent of any funds appropriated shall be dedicated to research carried out at universities.

SEC. 4210. RAILROAD EFFICIENCY.

(a) The Secretary shall, in conjunction with the Secretaries of Transportation and Defense, and the Administrator of the Environmental Protection Agency, establish a public-private research partnership involving the Federal Government, railroad carriers, locomotive manufacturers, and the Association of American Railroads. The goal of the initiative shall include developing and demonstrating locomotive technologies that increase fuel economy, reduce emissions, improve safety, and lower costs.

(b) There are authorized to be appropriated to carry out the requirements of this section $50,000,000 in fiscal year 2002, $60,000,000 in fiscal year 2003, and $70,000,000 in fiscal year 2004.

TITLE III—OIL AND GAS

Subtitle A—Deepwater and Frontier Royalty Relief

SEC. 4301. SHORT TITLE.

This subtitle may be cited as the ''Outer Continental Shelf Deep Water and Frontier Royalty Relief Act''.

SEC. 4302. AMENDMENTS TO THE OUTER CONTINENTAL SHELF LANDS ACT.

(a) Section 8(a)(1)(D) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(D)) is amended by striking the word ''area;'' and inserting in lieu thereof the word ''area,'' and the following new text: ''except in the Arctic areas of Alaska, where the Secretary is authorized to set the net profit share at 16⅔ percent. For purposes of this section, 'Arctic areas' means the Beaufort Sea and Chukchi Sea Planning Areas of Alaska;''.

(b) Section 8(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)) is amended by adding at the end the following:

''(9) After an oil and gas lease is granted pursuant to any of the bidding systems of paragraph (1) of this subsection, the Secretary shall reduce any future royalty or rental obligation of the lessee on any lease issued by the Secretary (and proposed by the lessee for such reduction) by an amount equal to—

''(A) 10 percent of the qualified costs of exploratory wells drilled or geophysical work performed on any lease issued by the Secretary, whichever is greater, pursuant to this Act in Arctic areas of Alaska; and

''(B) an additional 10 percent of the qualified costs of any such exploratory wells which are located ten or more miles from another well drilled for oil and gas.

For purposes of this Act, 'qualified costs' shall mean the costs allocated to the exploratory well or geophysical work in support of an exploration program pursuant to the Internal Revenue Code of 1986; 'exploratory well' shall mean either an exploratory well as defined by the United States Securities and Exchange Commission in sections 210.4 through 210.10(a)(10) of title 17, Code of Federal Regulations (or a successor regulation), or a well 3 or more miles from any oil or gas well or a pipeline which transports oil or gas to a market or terminal; 'geophysical work' shall mean all geophysical data gathering methods used in hydrocarbon exploration and includes seismic, gravity, magnetic, and electromagnetic measurements; and all distances shall be measured in horizontal distance. When a measurement beginning or ending point is a well, the measurement point shall be the bottom hole location of that well.''.

SEC. 4303. REGULATIONS.

The Secretary shall promulgate such rules and regulations as are necessary to implement the provisions of this subtitle not later than 180 days after the date of enactment of this Act.

SEC. 4304. SAVINGS CLAUSE.

Nothing in this subtitle shall be construed to affect any offshore pre-leasing, leasing, or development moratorium, including any moratorium applicable to the Eastern Planning Area of the Gulf of Mexico located off the Gulf Coast of Florida.

Subtitle B—Oil and Gas Royalties in Kind

SEC. 4310. PROGRAM ON OIL AND GAS ROYALTIES IN KIND.

(a) APPLICABILITY OF SECTION.—Notwithstanding any other provision of law, the provisions of this section shall apply to all royalty in kind accepted by the Secretary of the Interior under any Federal oil or gas lease or permit under section 36 of the Mineral Leasing Act (30 U.S.C. 192) or section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353) or any other mineral leasing law from the date of enactment of this Act through September 30, 2006.

(b) TERMS AND CONDITIONS.—All royalty accruing to the United States under any Federal oil or gas lease or permit under the Mineral Leasing Act (30 U.S.C. 181 et seq.) or the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) or any other mineral leasing law on demand of the Secretary of the Interior shall be paid in oil or gas. If the Secretary of the Interior elects to accept the royalty in kind—

(1) delivery by, or on behalf of, the lessee of the royalty amount and quality due at the lease satisfies the lessee's royalty obligation for the amount delivered, except that transportation and processing reimbursements paid to, or deductions claimed by, the lessee shall be subject to review and audit;

(2) royalty production shall be placed in marketable condition at no cost to the United States;

(3) the Secretary of the Interior may—

(A) sell or otherwise dispose of any royalty oil or gas taken in kind for not less than fair market value; and

(B) transport or process any oil or gas royalty taken in kind;

(4) the Secretary of the Interior may, notwithstanding section 3302 of title 31, United States Code, retain and use a portion of the revenues from the sale of oil and gas royalties taken in kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use royalty production, to pay the cost of—

(A) transporting the oil or gas;

(B) processing the gas; or

(C) disposing of the oil or gas; and

(5) the Secretary may not use revenues from the sale of oil and gas royalties taken in kind to pay for personnel, travel or other administrative costs of the Federal Government.

(c) REIMBURSEMENT OF COST.—If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the gas or delivers the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary of the Interior shall reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs, or, at the discretion of the Secretary of the Interior, allow the lessee to deduct such transportation or processing costs in reporting and paying royalties in value for other Federal oil and gas leases.

(d) BENEFIT TO THE UNITED STATES.—The Secretary shall administer any program taking royalty oil or gas in kind only if the Secretary determines that the program is providing benefits to the United States greater than or equal to those which would be realized under a comparable royalty in value program.

(e) REPORT TO CONGRESS.—For every fiscal year, beginning in 2002 through 2006, in which the United States takes oil or gas royalties within any State or from the outer Continental Shelf in kind, excluding royalties taken in kind and sold to refineries under subsection (h) of this section, the Secretary of the Interior shall provide a report to Congress that describes—

(1) the methodology or methodologies used by the Secretary to determine compliance with subsection (d), including performance standards for comparing to amounts likely to have been received had royalties been taken in value;

(2) an explanation of the evaluation that led the Secretary to take royalties in kind from a lease or group of leases, including the expected revenue effect of taking royalties in kind;

(3) actual amounts realized from taking royalties in kind, and costs and savings associated with taking royalties in kind; and

(4) an evaluation of other relevant public benefits or detriments associated with taking royalties in kind.

(f) DEDUCTION OF EXPENSES.—

(1) Prior to making disbursements under section 35 of the Mineral Leasing Act (30

U.S.C. 191) or section 8(g) of the Outer Continental Shelf Lands Act (30 U.S.C. 1337(g)) or other applicable provision of law, of revenues derived from the sale of royalty production taken in kind from a lease, the Secretary of the Interior shall deduct amounts paid or deducted under paragraphs (b)(3) and (c), and shall deposit such amounts to miscellaneous receipts.

(2) If the Secretary of the Interior allows the lessee to deduct transportation or processing costs under paragraph (c), the Secretary of the Interior may not reduce any payments to recipients of revenues derived from any other Federal oil and gas lease as a consequence of that deduction.

(g) CONSULTATION WITH STATES.—The Secretary of the Interior will consult with a State prior to conducting a royalty in kind program within the State and may delegate management of any portion of the Federal royalty in kind program to such State except as otherwise prohibited by Federal law. The Secretary shall also consult annually with any State from which Federal royalty oil or gas is being taken in kind to ensure to the maximum extent practicable that the royalty in kind program provides revenues to the State greater than or equal to those which would be realized under a comparable royalty in value program.

(h) PROVISIONS FOR SMALL REFINERIES.—

(1) If the Secretary of the Interior determines that sufficient supplies of crude oil are not available in the open market to refineries not having their own source of supply for crude oil, the Secretary may grant preference to such refineries in the sale of any royalty oil accruing or reserved to the United States under Federal oil and gas leases issued under any mineral leasing law, for processing or use in such refineries at private sale at not less than fair market value.

(2) In selling oil under this subsection, the Secretary of the Interior may at his discretion prorate such oil among such refineries in the area in which the oil is produced.

(i) DISPOSITION TO FEDERAL AGENCIES.—

(1) Any royalty oil or gas taken in kind from onshore oil and gas leases may be sold at not less than the fair market value to any department or agency of the United States.

(2) Any royalty oil or gas taken in kind from Federal oil and gas leases on the outer Continental Shelf may be disposed of under section 27 of the Outer Continental Shelf Lands Act (43 U.S.C. 1353(a)(3)).

Subtitle C—Use of Royalty In Kind Oil To Fill the Strategic Petroleum Reserve

SEC. 4320. USE OF ROYALTY IN KIND OIL TO FILL THE STRATEGIC PETROLEUM RESERVE.

The Secretary of the Interior shall enter into an agreement with the Secretary of Energy to transfer title to the Federal share of crude oil production from Federal lands for use at the discretion of the Secretary of Energy in filling the Strategic Petroleum Reserve during periods of crude oil market stability. The Secretary of Energy may also use the Federal share of crude oil produced from Federal lands for other disposal within the Federal Government, as he may determine, to carry out the energy policy of the United States.

Subtitle D—Improvements to Federal Oil and Gas Lease Management

SEC. 4330. SHORT TITLE.

This subtitle may be cited as the ''Federal Oil and Gas Lease Management Improvement Act of 2000''.

SEC. 4331. DEFINITIONS.

In this subtitle:

(1) APPLICATION FOR A PERMIT TO DRILL.—The term ''application for a permit to drill'' means a drilling plan including design, mechanical, and engineering aspects for drilling a well.

(2) FEDERAL LAND.—

(A) IN GENERAL.—The term ''Federal land'' means all land and interests in land owned by the United States that are subject to the mineral leasing laws, including mineral resources or mineral estates reserved to the United States in the conveyance of a surface or non-mineral estate.

(B) EXCLUSION.—The term ''Federal land'' does not include—

(i) Indian land (as defined in section 3 of the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1702)); or

(ii) submerged land on the outer Continental Shelf (as defined in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331)).

(3) OIL AND GAS CONSERVATION AUTHORITY.—The term ''oil and gas conservation authority'' means the agency or agencies in each State responsible for regulating for conservation purposes operations to explore for and produce oil and natural gas.

(4) PROJECT.—The term ''project'' means an activity by a lessee, an operator, or an operating rights owner to explore for, develop, produce, or transport oil or gas resources.

(5) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of the Interior, with respect to land under the administrative jurisdiction of the Department of the Interior; and

(B) the Secretary of Agriculture, with respect to land under the administrative jurisdiction of the Department of Agriculture.

(6) SURFACE USE PLAN OF OPERATIONS.—The term ''surface use plan of operations'' means a plan for surface use, disturbance, and reclamation.

SEC. 4332. NO PROPERTY RIGHT.

Nothing in this subtitle gives a State a property right or interest in any Federal lease or land.

SEC. 4333. TRANSFER OF AUTHORITY.

(a) NOTIFICATION.—Not before the date that is 180 days after the date of enactment of this Act, a State may notify the Secretary of its intent to accept authority for regulation of operations, as described in subparagraphs (A) through (K) of subsection (b)(2), under oil and gas leases on Federal land within the State.

(b) TRANSFER OF AUTHORITY.—

(1) IN GENERAL.—Effective 180 days after the Secretary receives the State's notice, authority for the regulation of oil and gas leasing operations is transferred from the Secretary to the State.

(2) AUTHORITY INCLUDED.—The authority transferred under paragraph (1) includes—

(A) processing and approving applications for permits to drill, subject to surface use agreements and other terms and conditions determined by the Secretary;

(B) production operations;

(C) well testing;

(D) well completion;

(E) well spacing;

(F) communication;

(G) conversion of a producing well to a water well;

(H) well abandonment procedures;

(I) inspections;

(J) enforcement activities; and

(K) site security.

(c) RETAINED AUTHORITY.—The Secretary shall—

(1) retain authority over the issuance of leases and the approval of surface use plans of operations and project-level environmental analyses; and

(2) spend appropriated funds to ensure that timely decisions are made respecting oil and gas leasing, taking into consideration multiple uses of Federal land, socioeconomic and environmental impacts, and the results of consultations with State and local government officials.

SEC. 4334. ACTIVITY FOLLOWING TRANSFER OF AUTHORITY.

(a) FEDERAL AGENCIES.—Following the transfer of authority, no Federal agency shall exercise the authority formerly held by the Secretary as to oil and gas lease operations and related operations on Federal land.

(b) STATE AUTHORITY.—

(1) IN GENERAL.—Following the transfer of authority, each State shall enforce its own oil and gas conservation laws and requirements pertaining to transferred oil and gas lease operations and related operations with due regard to the national interest in the expedited, environmentally sound development of oil and gas resources in a manner consistent with oil and gas conservation principles.

(2) APPEALS.—Following a transfer of authority under section 4333, an appeal of any decision made by a State oil and gas conservation authority shall be made in accordance with State administrative procedures.

(c) PENDING ENFORCEMENT ACTIONS.—The Secretary may continue to enforce any pending actions respecting acts committed before the date on which authority is transferred to a State under section 4333 until those proceedings are concluded.

(d) PENDING APPLICATIONS.—

(1) TRANSFER TO STATE.—All applications respecting oil and gas lease operations and related operations on Federal land pending before the Secretary on the date on which authority is transferred under section 4333 shall be immediately transferred to the oil and gas conservation authority of the State in which the lease is located.

(2) ACTION BY THE STATE.—The oil and gas conservation authority shall act on the application in accordance with State laws (including regulations) and requirements.

SEC. 4335. COMPENSATION FOR COSTS.

(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary shall compensate any State for costs incurred to carry out the authorities transferred under section 4333.

(b) PAYMENT SCHEDULE.—Payments shall be made not less frequently than every quarter.

(c) COST BREAKDOWN REPORT.—Each State seeking compensation shall report to the Secretary a cost breakdown for the authorities transferred.

SEC. 4336. APPLICATIONS.

(a) LIMITATION ON COST RECOVERY.—Notwithstanding sections 304 and 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1734, 1764) and section 9701 of title 31, United States Code, the Secretary shall not recover the Secretary's costs with respect to applications and other documents relating to oil and gas leases.

(b) COMPLETION OF PLANNING DOCUMENTS AND ANALYSES.—

(1) IN GENERAL.—The Secretary shall complete any resource management planning documents and analyses not later than 90 days after receiving any offer, application, or request for which a planning document or analysis is required to be prepared.

(2) PREPARATION BY APPLICANT OR LESSEE.—If the Secretary is unable to complete the document or analysis within the time prescribed by paragraph (1), the Secretary shall notify the applicant or lessee of the opportunity to prepare the required document or analysis for the agency's review and use in decisionmaking.

(c) REIMBURSEMENT FOR COSTS OF NEPA ANALYSES, DOCUMENTATION, AND STUDIES.—If—

(1) adequate funding to enable the Secretary to timely prepare a project-level analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to an oil or gas lease is not appropriated; and

(2) the lessee, operator, or operating rights owner voluntarily pays for the cost of the required analysis, documentation, or related study;

the Secretary shall reimburse the lessee, operator, or operating rights owner for its costs through royalty credits attributable to the lease, unit agreement, or project area.

SEC. 4337. TIMELY ISSUANCE OF DECISIONS.

(a) IN GENERAL.—The Secretary shall ensure the timely issuance of Federal agency decisions respecting oil and gas leasing and operations on Federal land.

(b) OFFER TO LEASE.—

(1) DEADLINE.—The Secretary shall accept or reject an offer to lease not later than 90 days after the filing of the offer.

(2) FAILURE TO MEET DEADLINE.—If an offer is not acted upon within that time, the offer shall be deemed to have been accepted.

(c) APPLICATION FOR PERMIT TO DRILL.—

(1) DEADLINE.—The Secretary and a State that has accepted a transfer of authority under section 4333 shall approve or disapprove an application for permit to drill not later than 30 days after receiving a complete application.

(2) FAILURE TO MEET DEADLINE.—If the application is not acted on within the time prescribed by paragraph (1), the application shall be deemed to have been approved.

(d) SURFACE USE PLAN OF OPERATIONS.—The Secretary shall approve or disapprove a surface use plan of operations not later than 30 days after receipt of a complete plan.

(e) ADMINISTRATIVE APPEALS.—

(1) DEADLINE.—From the time that a Federal oil and gas lessee or operator files a notice of administrative appeal of a decision or order of an officer or employee of the Department of the Interior or the Forest Service respecting a Federal oil and gas Federal lease, the Secretary shall have 2 years in which to issue a final decision in the appeal.

(2) FAILURE TO MEET DEADLINE.—If no final decision has been issued within the time prescribed by paragraph (1), the appeal shall be deemed to have been granted.

SEC. 4338. ELIMINATION OF UNWARRANTED DENIALS AND STAYS.

(a) IN GENERAL.—The Secretary shall ensure that unwarranted denials and stays of lease issuance and unwarranted restrictions on lease operations are eliminated from the administration of oil and gas leasing on Federal land.

(b) LAND DESIGNATED FOR MULTIPLE USE.—

(1) IN GENERAL.—Land designated as available for multiple use under Bureau of Land Management resource management plans and Forest Service leasing analyses shall be available for oil and gas leasing without lease stipulations more stringent than restrictions on surface use and operations imposed under the laws (including regulations) of the State oil and gas conservation authority unless the Secretary includes in the decision approving the management plan or leasing analysis a written explanation why more stringent stipulations are warranted.

(2) APPEAL.—Any decision to require a more stringent stipulation shall be administratively appealable and, following a final agency decision, shall be subject to judicial review.

(c) REJECTION OF OFFER TO LEASE.—

(1) IN GENERAL.—If the Secretary rejects an offer to lease on the ground that the land is unavailable for leasing, the Secretary shall provide a written, detailed explanation of the reasons the land is unavailable for leasing.

(2) PREVIOUS RESOURCE MANAGEMENT DECISION.—If the determination of unavailability is based on a previous resource management decision, the explanation shall include a careful assessment of whether the reasons underlying the previous decision are still persuasive.

(3) SEGREGATION OF AVAILABLE LAND FROM UNAVAILABLE LAND.—The Secretary may not reject an offer to lease land available for leasing on the ground that the offer includes land unavailable for leasing, and the Secretary shall segregate available land from unavailable land, on the offeror's request following notice by the Secretary, before acting on the offer to lease.

(d) DISAPPROVAL OR REQUIRED MODIFICATION OF SURFACE USE PLANS OF OPERATIONS AND APPLICATION FOR PERMIT TO DRILL.—The Secretary shall provide a written, detailed explanation of the reasons for disapproving or requiring modifications of any surface use plan of operations or application for permit to drill.

(e) EFFECTIVENESS OF DECISION.—A decision of the Secretary respecting an oil and gas lease shall be effective pending administrative appeal to the appropriate office within the Department of the Interior or the Department of Agriculture unless that office grants a stay in response to a petition satisfying the criteria for a stay established by section 4.21(b) of title 43, Code of Federal Regulations (or any successor regulation).

SEC. 4339. REPORTS.

(a) IN GENERAL.—Not later than March 31, 2002, the Secretaries shall jointly submit to Congress a report explaining the most efficient means of eliminating overlapping jurisdiction, duplication of effort, and inconsistent policymaking and policy implementation as between the Bureau of Land Management and the Forest Service.

(b) RECOMMENDATIONS.—The report shall include recommendations on statutory changes needed to implement the report's conclusions.

Subtitle E—Royalty Reinvestment in America

SEC. 4351. ROYALTY INCENTIVE PROGRAM.

(a) IN GENERAL.—To encourage exploration and development expenditures on Federal land and the outer Continental Shelf for the development of oil and gas resources when the cash price of West Texas Intermediate crude oil, as posted on the Dow Jones Commodities Index chart is less than $18 per barrel for 90 consecutive pricing days or when natural gas prices as delivered at Henry Hub, Louisiana, are less than $2.30 per million British thermal units for 90 consecutive days, the Secretary shall allow a credit against the payment of royalties on Federal oil production and gas production, respectively, in an amount equal to 20 percent of the capital expenditures made on exploration and development activities on Federal oil and gas leases.

(b) NO CREDITING AGAINST ONSHORE FEDERAL ROYALTY OBLIGATIONS.—In no case shall such capital expenditures made on outer Continental Shelf leases be credited against onshore Federal royalty obligations.

TITLE IV—NUCLEAR

Subtitle A—Price-Anderson Amendments

SEC. 4401. SHORT TITLE.

This subtitle may be cited as the ''Price-Anderson Amendments Act of 2001''.

SEC. 4402. INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NRC LICENSEES.—Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

(b) INDEMNIFICATION OF DOE CONTRACTORS.—Section 170d.(1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A)) is amended by striking '', until August 1, 2002,''.

(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking ''August 1, 2002'' each place it appears and inserting ''August 1, 2012''.

SEC. 4403. DOE LIABILITY LIMIT.

(a) AGGREGATE LIABILITY LIMIT.—Section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

''(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

''(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and

''(B) shall indemnify the persons indemnified against such claims above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under subsection t.), in the aggregate, for all persons indemnified in connection with such contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.''.

(b) CONTRACT AMENDMENTS.—Section 170d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking paragraph (3) and inserting the following:

''(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on the date of enactment of the Price-Anderson Amendments Act of 2001, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on such date.''.

SEC. 4404. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170d.(5) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(5)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

(b) LIABILITY LIMIT.—Section 170e.(4) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(4)) is amended by striking ''$100,000,000'' and inserting ''$500,000,000''.

SEC. 4405. REPORTS.

Section 170p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking ''August 1, 1998'' and inserting ''August 1, 2008''.

SEC. 4406. INFLATION ADJUSTMENT.

Section 170t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(1) by renumbering paragraph (2) as paragraph (3); and

(2) by adding after paragraph (1) the following:

''(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period following the date of enactment of the Price-Anderson Amendments Act of 2001, in accordance with the aggregate percentage change in the Consumer Price Index since—

''(A) such date of enactment, in the case of the first adjustment under this subsection; or

''(B) the previous adjustment under this subsection.''.

SEC. 4407. CIVIL PENALTIES.

(a) REPEAL OF AUTOMATIC REMISSION.—Section 234Ab.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) is amended by striking the last sentence.

(b) LIMITATION FOR NONPROFIT INSTITUTIONS.—Section 234A of the Atomic Energy

Act of 1954 (42 U.S.C. 2282a) is further amended by striking subsection d. and inserting the following:

''d. Notwithstanding subsection a., no contractor, subcontractor, or supplier considered to be nonprofit under the Internal Revenue Code of 1954 shall be subject to a civil penalty under this section in excess of the amount of any performance fee paid by the Secretary to such contractor, subcontractor, or supplier under the contract under which the violation or violations; occur.''.

SEC. 4408. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this subtitle shall become effective on the date of enactment of this Act.

(b) INDEMNIFICATION PROVISIONS.—The amendments made by sections 4403 and 4404 shall not apply to any nuclear incident occurring before the date of enactment of this Act.

(c) CIVIL PENALTY PROVISIONS.—The amendments made by section 4407 to section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) shall not apply to any violation occurring under a contract entered into before the date of enactment of this Act.

Subtitle B—Funding From the Department of Energy

SEC. 4410. NUCLEAR ENERGY RESEARCH INITIATIVE.

There are authorized to be appropriated $60,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Research Initiative to be managed by the Director of the Office of Nuclear Energy, for grants to be competitively awarded and subject to peer review for research relating to nuclear energy. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Energy Research Initiative.

SEC. 4411. NUCLEAR ENERGY PLANT OPTIMIZATION PROGRAM.

There are authorized to be appropriated $10,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Plant Optimization Program to be managed by the Director of the Office of Nuclear Energy, for a joint program with industry cost-shared by at least 50 percent and subject to annual review by the Secretary of Energy's Nuclear Energy Research Advisory Council. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Energy Plant Optimization Program.

SEC. 4412. NUCLEAR ENERGY TECHNOLOGY DEVELOPMENT PROGRAM.

There are authorized to be appropriated $25,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter for a Nuclear Energy Technology Development Program to be managed by the Director of the Office of Nuclear Energy, for a roadmap to design and develop a new nuclear energy facility in the United States and subject to annual review by the Secretary of Energy's Nuclear Energy Research Advisory Council. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations in the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate, an annual report on the activities of the Nuclear Technology Development Program.

Subtitle C—Grants for Incentive Payments for Capital Improvements To Increase Efficiency

SEC. 4420. NUCLEAR ENERGY PRODUCTION INCENTIVES.

(a) INCENTIVE PAYMENTS.—For electric energy generated and sold by an existing nuclear energy facility during the incentive period, the Secretary of Energy shall make, subject to the availability of appropriations, incentive payments to the owner or operator of such facility. The amount of such payment made to any such owner or operator shall be as determined under subsection (e) of this section. Payments under this section may only be made upon receipt by the Secretary of an incentive payment application, which establishes that the applicant is eligible to receive such payment and which satisfies such other requirements as the Secretary deems necessary. Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.

(b) DEFINITIONS.—For purposes of this section:

(1) QUALIFIED NUCLEAR ENERGY FACILITY.—The term ''qualified nuclear energy facility'' means an existing reactor used to generate electricity for sale.

(2) EXISTING REACTOR.—The term ''existing reactor'' means any nuclear reactor the construction of which was completed and licensed by the Nuclear Regulatory Commission before the date of enactment of this section.

(c) INCENTIVE PERIOD.—A qualified nuclear energy facility may receive payments under this section for a period of 15 years (referred to in this section as the ''incentive period'').

(d) AMOUNT OF PAYMENT.—

(1) Payments made by the Secretary under this section to the owner or operator of a nuclear energy facility shall be based on the increased volume of kilowatt hours of electricity generated by the qualified nuclear energy facility during the incentive period. The amount of such payment shall be 1 mill for each kilowatt-hour produced in excess of the total generation produced over the most recent calendar year prior to the first fiscal year in which payment is sought. Such payment is subject to the availability of appropriations under subsection (f), except that no facility may receive more than $2,000,000 in 1 calendar year.

(2) The amount of the payment made to any person under this section as provided in paragraph (1) shall be adjusted for inflation for each fiscal year beginning after calendar year 2001 in the same manner as provided in the provisions of section 29(d)(2)(B) of the Internal Revenue Code of 1986, except that in applying such provisions, the calendar year 2001 shall be substituted for the calendar year 1979.

(e) SUNSET.—No payment may be made under this section to any nuclear energy facility after the expiration of the period of 20 fiscal years beginning with fiscal year 2001, and no payment may be made under this section to any such facility after a payment has been made with respect to such facility for a period of 15 fiscal years.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the purposes of this section $50,000,000 for each of the fiscal years 2001 through 2015.

SEC. 4421. NUCLEAR ENERGY EFFICIENCY IMPROVEMENT.

(a) INCENTIVE PAYMENTS.—The Secretary of Energy shall make incentive payments to the owners or operators of qualified nuclear energy facilities to be used to make capital improvements in the facilities that are directly related to improving the electrical output efficiency of such facilities by at least 1 percent.

(b) LIMITATIONS.—

(1) Incentive payments under this section shall not exceed 10 percent of the costs of the capital improvement concerned and not more than 1 payment may be made with respect to improvements at a single facility.

(2) No payments in excess of $1,000,000 in the aggregate may be made with respect to improvements at a single facility.

(3) Payments may be made by the Department or used by a facility to offset the costs of NRC permitting fees for a capital improvement.

(4) Payments made by the Department to the Nuclear Regulatory Commission for permitting an improvement that can impact multiple facilities are not subject to the limitation in (b)(2).

(c) AUTHORIZATION.—There is authorized to be appropriated to carry out this section not more than $20,000,000 in each fiscal year after fiscal year 2001.

TITLE V—ARCTIC COASTAL PLAIN DOMESTIC ENERGY SECURITY ACT OF 2001

SEC. 4501. SHORT TITLE.

This title may be cited as the ''Arctic Coastal Plain Domestic Energy Security Act of 2001''.

SEC. 4502. DEFINITIONS.

When used in this title the term—

(1) ''1002 Area'' means that area identified as ''Coastal Plain'' in the map entitled ''Arctic National Wildlife Refuge'', dated August 1980, as referenced in section 1002(b) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142(b)(1)) comprising approximately 1,549,000 acres; and

(2) ''Secretary'', except as otherwise provided, means the Secretary of the Interior or the Secretary's designee.

SEC. 4503. LEASING PROGRAM FOR LANDS WITHIN THE ANWR 1002 AREA.

(a) AUTHORIZATION.—Congress hereby authorizes and directs the Secretary, acting through the Bureau of Land Management in consultation with the Fish and Wildlife Service and other appropriate Federal offices and agencies, to take such actions as are necessary to establish and implement a competitive oil and gas leasing program that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the 1002 Area and to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations and other provisions that ensure the oil and gas exploration, development, and production activities on the 1002 Area will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, and shall require the application of the best commercially available technology for oil and gas exploration, development, and production, on all new exploration, development, and production operations, and whenever practicable, on existing operations, and in a manner to ensure the receipt of fair market value by the public for the mineral resources to be leased.

(b) REPEAL.—The prohibitions and limitations contained in section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) are hereby repealed.

(c) COMPATIBILITY.—Congress hereby determines that the oil and gas leasing program and activities authorized by this section in the 1002 Area are compatible with the purposes for which the Arctic National Wildlife Refuge was established, and that no further findings or decisions are required to implement this determination.

(d) SOLE AUTHORITY.—This title shall be the sole authority for leasing on the 1002

Area: *Provided,* That nothing in this title shall be deemed to expand or limit State and local regulatory authority.

(e) FEDERAL LAND.—The 1002 Area shall be considered ''Federal land'' for the purposes of the Federal Oil and Gas Royalty Management Act of 1982.

(f) SPECIAL AREAS.—The Secretary, after consultation with the State of Alaska, City of Kaktovik, and the North Slope Borough, is authorized to designate up to a total of 45,000 acres of the 1002 Area as Special Areas and close such areas to leasing if the Secretary determines that these Special Areas are of such unique character and interest so as to require special management and regulatory protection. The Secretary may, however, permit leasing of all or portions of any Special Areas within the 1002 Area by setting lease terms that limit or condition surface use and occupancy by lessees of such lands but permit the use of horizontal drilling technology from sites on leases located outside the designated Special Areas.

(g) LIMITATION ON CLOSED AREAS.—The Secretary's sole authority to close lands within the 1002 Area to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(h) CONVEYANCE.—In order to maximize Federal revenues by removing clouds on title of lands and clarifying land ownership patterns within the 1002 Area, the Secretary, notwithstanding the provisions of section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), is authorized and directed to convey (1) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 2 of Public Land Order 6959, to the extent necessary to fulfill the Corporation's entitlement under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611), and (2) to the Arctic Slope Regional Corporation the subsurface estate beneath such surface estate pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

SEC. 4504. RULES AND REGULATIONS.

(a) PROMULGATION.—The Secretary shall prescribe such rules and regulations as may be necessary to carry out the purposes and provisions of this title, including rules and regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and the environment of the 1002 Area. Such rules and regulations shall be promulgated not later than fourteen months after the date of enactment of this title and shall, as of their effective date, apply to all operations conducted under a lease issued or maintained under the provisions of this title and all operations on the 1002 Area related to the leasing, exploration, development and production of oil and gas.

(b) REVISION OF REGULATIONS.—The Secretary shall periodically review and, if appropriate, revise the rules and regulations issued under subsection (a) of this section to reflect any significant biological, environmental, or engineering data which come to the Secretary's attention.

SEC. 4505. ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.

The ''Final Legislative Environmental Impact Statement'' (April 1987) prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is hereby found by Congress to be adequate to satisfy the legal and procedural requirements of the National Environmental Policy Act of 1969 with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of the leasing program authorized by this title, to conduct the first lease sale and any subsequent lease sale authorized by this title, and to grant rights-of-way and easements to carry out the purposes of this title.

SEC. 4506. LEASE SALES.

(a) LEASE SALES.—Lands may be leased pursuant to the provisions of this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the 1002 Area for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale; and

(2) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALES ON 1002 AREA.—The Secretary shall, by regulation, provide for lease sales of lands on the 1002 Area. When lease sales are to be held, they shall occur after the nomination process provided for in subsection (b) of this section. For the first lease sale, the Secretary shall offer for lease those acres receiving the greatest number of nominations, but no less than 200,000 acres and no more than 300,000 acres shall be offered. If the total acreage nominated is less than 200,000 acres, the Secretary shall include in such sales any other acreage which he believes has the highest resource potential, but in no event shall more than 300,000 acres be offered in such sale. With respect to subsequent lease sales, the Secretary shall offer for lease no less than 200,000 acres of the 1002 Area. The initial lease sale shall be held within 20 months of the date of enactment of this title. The second lease sale shall be held not later than 2 years after the initial sale, with additional sales conducted not later than 1 year thereafter so long as sufficient interest in development exists to warrant, in the Secretary's judgment, the conduct of such sales.

SEC. 4507. GRANT OF LEASES BY THE SECRETARY.

(a) IN GENERAL.—The Secretary is authorized to grant to the highest responsible qualified bidder by sealed competitive cash bonus bid any lands to be leased on the 1002 Area upon payment by the lessee of such bonus as may be accepted by the Secretary and of such royalty as may be fixed in the lease, which shall be not less than 12½ percent in amount or value of the production removed or sold from the lease.

(b) ANTITRUST REVIEW.—Following each notice of a proposed lease sale and before the acceptance of bids and the issuance of leases based on such bids, the Secretary shall allow the Attorney General, in consultation with the Federal Trade Commission, 30 days to perform an antitrust review of the results of such lease sale on the likely effects the issuance of such leases would have on competition and the Attorney General shall advise the Secretary with respect to such review, including any recommendation for the nonacceptance of any bid or the imposition of terms or conditions on any lease, as may be appropriate to prevent any situation inconsistent with the antitrust laws.

(c) SUBSEQUENT TRANSFERS.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

(d) IMMUNITY.—Nothing in this title shall be deemed to convey to any person, association, corporation, or other business organization immunity from civil or criminal liability, or to create defenses to actions, under any antitrust law.

(e) DEFINITIONS.—As used in this section, the term—

(1) ''antitrust review'' shall be deemed an ''antitrust investigation'' for the purposes of the Antitrust Civil Process Act (15 U.S.C. 1311 et seq.); and

(2) ''antitrust laws'' means the Acts referred to in section 1 of the Clayton Act (15 U.S.C. 12).

SEC. 4508. LEASE TERMS AND CONDITIONS.

An oil or gas lease issued pursuant to this title shall—

(1) be for a tract consisting of a compact area not to exceed 5,760 acres, or 9 surveyed or protracted sections which shall be as compact in form as possible;

(2) be for an initial period of 10 years and shall be extended for so long thereafter as oil or gas is produced in paying quantities from the lease or unit area to which the lease is committed or for so long as drilling or reworking operations, as approved by the Secretary, are conducted on the lease or unit area;

(3) require the payment of royalty as provided for in section 4507 of this title;

(4) require that exploration activities pursuant to any lease issued or maintained under this title shall be conducted in accordance with an exploration plan or a revision of such plan approved by the Secretary;

(5) require that all development and production pursuant to a lease issued or maintained pursuant to this title shall be conducted in accordance with development and production plans approved by the Secretary;

(6) require posting of bond as required by section 4509 of this title;

(7) provide that the Secretary may close, on a seasonal basis, portions of the 1002 Area to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife;

(8) contain such provisions relating to rental and other fees as the Secretary may prescribe at the time of offering the area for lease;

(9) provide that the Secretary may direct or assent to the suspension of operations and production under any lease granted under the terms of this title in the interest of conservation of the resource or where there is no available system to transport the resource. If such a suspension is directed or assented to by the Secretary, any payment of rental prescribed by such lease shall be suspended during such period of suspension of operations and production, and the term of the lease shall be extended by adding any such suspension period thereto;

(10) provide that whenever the owner of a nonproducing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be canceled by the Secretary if such default continues for more than thirty days after mailing of notice by registered letter to the lease owner at the lease owner's post office address of record;

(11) provide that whenever the owner of any producing lease fails to comply with any of the provisions of this title, or of any applicable provision of Federal or State environmental law, or of the lease, or of any regulation issued under this title, such lease may be forfeited and canceled by any appropriate proceeding brought by the Secretary in any United States district court having jurisdiction under the provisions of this title;

(12) provide that cancellation of a lease under this title shall in no way release the

owner of the lease from the obligation to provide for reclamation of the lease site;

(13) allow the lessee, at the discretion of the Secretary, to make written relinquishment of all rights under any lease issued pursuant to this title. The Secretary shall accept such relinquishment by the lessee of any lease issued under this title where there has not been surface disturbance on the lands covered by the lease;

(14) provide that for the purpose of conserving the natural resources of any oil or gas pool, field, or like area, or any part thereof, and in order to avoid the unnecessary duplication of facilities, to protect the environment of the 1002 Area, and to protect correlative rights, the Secretary shall require that, to the greatest extent practicable, lessees unite with each other in collectively adopting and operating under a cooperative or unit plan of development for operation of such pool, field, or like area, or any part thereof, and the Secretary is also authorized and directed to enter into such agreements as are necessary or appropriate for the protection of the United States against drainage;

(15) require that the holder of a lease or leases on lands within the 1002 Area shall be fully responsible and liable for the reclamation of those lands within and any other Federal lands adversely affected in connection with exploration, development, production or transportation activities on a lease within the 1002 Area by the holder of a lease or as a result of activities conducted on the lease by any of the leaseholder's subcontractors or agents;

(16) provide that the holder of a lease may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another party without the express written approval of the Secretary;

(17) provide that the standard of reclamation for lands required to be reclaimed under this title be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary;

(18) contain the terms and conditions relating to protection of fish and wildlife, their habitat, and the environment, as required by section 4503(a) of this title;

(19) provide that the holder of a lease, its agents, and contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State;

(20) require project agreements to the extent feasible that will ensure productivity and consistency recognizing a national interest in both labor stability and the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under leases issued pursuant to this title; and

(21) contain such other provisions as the Secretary determines necessary to ensure compliance with the provisions of this title and the regulations issued under this title.

SEC. 4509. BONDING REQUIREMENTS TO ENSURE FINANCIAL RESPONSIBILITY OF LESSEE AND AVOID FEDERAL LIABILITY.

(a) REQUIREMENT.—The Secretary shall, by rule or regulation, establish such standards as may be necessary to ensure that an adequate bond, surety, or other financial arrangement will be established prior to the commencement of surface disturbing activities on any lease, to ensure the complete and timely reclamation of the lease tract, and the restoration of any lands or surface waters adversely affected by lease operations after the abandonment or cessation of oil and gas operations on the lease. Such bond, surety, or financial arrangement is in addition to, and not in lieu of, any bond, surety, or financial arrangement required by any other regulatory authority or required by any other provision of law.

(b) AMOUNT.—The bond, surety, or financial arrangement shall be in an amount—

(1) to be determined by the Secretary to provide for reclamation of the lease site in accordance with an approved or revised exploration or development and production plan; plus

(2) set by the Secretary consistent with the type of operations proposed, to provide the means for rapid and effective cleanup, and to minimize damages resulting from an oil spill, the escape of gas, refuse, domestic wastewater, hazardous or toxic substances, or fire caused by oil and gas activities.

(c) ADJUSTMENT.—In the event that an approved exploration or development and production plan is revised, the Secretary may adjust the amount of the bond, surety, or other financial arrangement to conform to such modified plan.

(d) DURATION.—The responsibility and liability of the lessee and its surety under the bond, surety, or other financial arrangement shall continue until such time as the Secretary determines that there has been compliance with the terms and conditions of the lease and all applicable laws.

(e) TERMINATION.—Within 60 days after determining that there has been compliance with the terms and conditions of the lease and all applicable laws, the Secretary, after consultation with affected Federal and State agencies, shall notify the lessee that the period of liability under the bond, surety, or other financial arrangement has been terminated.

SEC. 4510. OIL AND GAS INFORMATION.

(a) IN GENERAL.—(1) Any lessee or permittee conducting any exploration for, or development or production of, oil or gas pursuant to this title shall provide the Secretary access to all data and information from any lease granted pursuant to this title (including processed and analyzed) obtained from such activity and shall provide copies of such data and information as the Secretary may request. Such data and information shall be provided in accordance with regulations which the Secretary shall prescribe.

(2) If processed and analyzed information provided pursuant to paragraph (1) is provided in good faith by the lessee or permittee, such lessee or permittee shall not be responsible for any consequence of the use or of reliance upon such processed and analyzed information.

(3) Whenever any data or information is provided to the Secretary, pursuant to paragraph (1)—

(A) by a lessee or permittee, in the form and manner of processing which is utilized by such lessee or permittee in the normal conduct of business, the Secretary shall pay the reasonable cost of reproducing such data and information; or

(B) by a lessee or permittee, in such other form and manner of processing as the Secretary may request, the Secretary shall pay the reasonable cost of processing and reproducing such data and information.

(b) REGULATIONS.—The Secretary shall prescribe regulations to:

(1) ensure that the confidentiality of privileged or proprietary information received by the Secretary under this section will be maintained; and

(2) set forth the time periods and conditions which shall be applicable to the release of such information.

SEC. 4511. EXPEDITED JUDICIAL REVIEW.

(a) Any complaint seeking judicial review of any provision in this title, or any other action of the Secretary under this title may be filed in any appropriate district court of the United States, and such complaint must be filed within ninety days from the date of the action being challenged, or after such date if such complaint is based solely on grounds arising after such ninetieth day, in which case the complaint must be filed within ninety days after the complainant knew or reasonably should have known of the grounds for the complaint: *Provided,* That any complaint seeking judicial review of an action of the Secretary in promulgating any regulation under this title may be filed only in the United States Court of Appeals for the District of Columbia.

(b) Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

SEC. 4512. RIGHTS-OF-WAY ACROSS THE 1002 AREA.

Notwithstanding title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.), the Secretary is authorized and directed to grant, in accordance with the provisions of subsections (c) through (t) and (v) through (y) of section 28 of the Mineral Leasing Act of 1920 (30 U.S.C. 185), rights-of-way and easements across the 1002 Area for the transportation of oil and gas under such terms and conditions as may be necessary so as not to result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the 1002 Area. Such terms and conditions shall include requirements that facilities be sited or modified so as to avoid unnecessary duplication of roads and pipelines. The regulations issued as required by section 4504 of this title shall include provisions granting rights-of-way and easements across the 1002 Area.

SEC. 4513. ENFORCEMENT OF SAFETY AND ENVIRONMENTAL REGULATIONS TO ENSURE COMPLIANCE WITH TERMS AND CONDITIONS OF LEASE.

(a) RESPONSIBILITY OF THE SECRETARY.—The Secretary shall diligently enforce all regulations, lease terms, conditions, restrictions, prohibitions, and stipulations promulgated pursuant to this title.

(b) RESPONSIBILITY OF HOLDERS OF LEASE.—It shall be the responsibility of any holder of a lease under this title to—

(1) maintain all operations within such lease area in compliance with regulations intended to protect persons and property on, and fish and wildlife, their habitat, subsistence resources, and the environment of, the 1002 Area; and

(2) allow prompt access at the site of any operations subject to regulation under this title to any appropriate Federal or State inspector, and to provide such documents and records which are pertinent to occupational or public health, safety, or environmental protection, as may be requested.

(c) ON-SITE INSPECTION.—The Secretary shall promulgate regulations to provide for—

(1) scheduled onsite inspection by the Secretary, at least twice a year, of each facility on the 1002 Area which is subject to any environmental or safety regulation promulgated pursuant to this title or conditions contained in any lease issued pursuant to this title to ensure compliance with such environmental or safety regulations or conditions; and

(2) periodic onsite inspection by the Secretary at least once a year without advance notice to the operator of such facility to ensure compliance with all environmental or safety regulations.

SEC. 4514. NEW REVENUES.

(a) DEPOSIT INTO TREASURY.—Notwithstanding any other provision of law, all revenues received by the Federal Government from competitive bids, sales, bonuses, royalties, rents, fees, or interest derived from the leasing of oil and gas within the 1002 Area shall be deposited into the Treasury of the United States, solely as provided in this section. The Secretary of the Treasury shall pay to the State of Alaska the same percentage of such revenues as is set forth under the heading ''EXPLORATION OF NATIONAL PETROLEUM RESERVE IN ALASKA'' in Public Law 96–514 (94 Stat. 2957, 2964) semiannually to the State of Alaska, on March 30 and September 30 of each year and shall deposit the balance of all such revenues as miscellaneous receipts in the Treasury. Notwithstanding any other provision of law, the Secretary of the Treasury shall monitor the total revenue deposited into the Treasury as miscellaneous receipts from oil and gas leases issued under the authority of this subtitle and shall deposit amounts received as bonus bids into a special fund established in the Treasury of the United States known as the Renewable Energy Research and Development Fund (referred to in this section as the ''Renewable Energy Fund'').

(b) USE OF RENEWABLE ENERGY FUND.—Of the amounts in the Renewable Energy Fund, an amount equal to ten percent of the total deposits shall be made available to the Secretary of Energy, without further appropriation, at the beginning of each fiscal year in which amounts are available, and may be expended by the Secretary of Energy for research and development of renewable domestic energy resources of wind, solar, biomass, geothermal and hydroelectric. Such amounts shall remain available until expended and shall be in addition to funds appropriated in the preceding fiscal year to the Secretary of Energy for renewable energy research, development and demonstration programs authorized by section 103 of the Energy Reorganization Act of 1974 (42 U.S.C. 5813). The Secretary of Energy shall develop procedures for the use of the Renewable Energy Fund that ensure accountability and demonstrated results. Beginning the first full fiscal year after deposits are made into the Renewable Energy Fund, the Secretary of Energy shall submit an annual report to the Committee on Energy and Natural Resources of the United States Senate and the appropriate committees of the United States House of Representatives detailing the use of any expenditures.

TITLE VI—ENERGY EFFICIENCY, CONSERVATION, AND ASSISTANCE TO LOW-INCOME FAMILIES

SEC. 4601. EXTENSION OF LOW INCOME HOME ENERGY ASSISTANCE PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 2602(b) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621), is amended by striking ''such sums as may be necessary for each of fiscal years 2000 and 2001, and $2,000,000,000 for each of fiscal years 2002 through 2004'' and inserting ''$3,000,000,000 for each of fiscal years 2000 through 2010''.

(b) PAYMENTS TO STATES.—Section 2602(d)(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621) is amended by striking ''2004'' and inserting ''2010''.

(c) EMERGENCY FUNDS.—Section 2602(e) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 8621), is amended by striking ''$600,000,000'' and inserting ''$1,000,000,000''.

SEC. 4602. ENERGY EFFICIENT SCHOOLS PROGRAM.

(a) ESTABLISHMENT.—There is established in the Department of Energy the Energy Efficient Schools Program (referred to in this section as the ''Program'').

(b) IN GENERAL.—The Secretary of Energy may, through the Program, make grants to—

(1) be provided to school districts to implement the purpose of this section;

(2) administer the program of assistance to school districts pursuant to this section; and

(3) promote participation by school districts in the program established by this section.

(c) GRANTS TO ASSIST SCHOOL DISTRICTS.—Grants under subsection (b)(1) shall be used to achieve energy efficiency performance not less than 30 percent beyond the levels prescribed in the 1998 International Energy Conservation Code as it is in effect for new construction and existing buildings. Grants under such subsection shall be made to school districts that have—

(1) demonstrated a need for such grants in order to respond appropriately to increasing elementary and secondary school enrollments or to make major investments in renovation of school facilities;

(2) demonstrated that the districts do not have adequate funds to respond appropriately to such enrollments or achieve such investments without assistance; and

(3) made a commitment to use the grant funds to develop energy efficient school buildings in accordance with the plan developed and approved pursuant to subsection (e)(1).

(d) OTHER GRANTS.—

(1) GRANTS FOR ADMINISTRATION.—Grants under subsection (b)(2) shall be used to evaluate compliance by school districts with the requirements of this section and in addition may be used for—

(A) distributing information and materials to clearly define and promote the development of energy efficient school buildings for both new and existing facilities;

(B) organizing and conducting programs for school board members, school district personnel, architects, engineers, and others to advance the concepts of energy efficient school buildings;

(C) obtaining technical services and assistance in planning and designing energy efficient school buildings; and

(D) collecting and monitoring data and information pertaining to the energy efficient school building projects.

(2) GRANTS TO PROMOTE PARTICIPATION.—Grants under subsection (b)(3) may be used for promotional and marketing activities, including facilitating private and public financing, promoting the use of energy service companies, working with school administrations, students, and communities, and coordinating public benefit programs.

(e) IMPLEMENTATION.—

(1) PLANS.—Grants under subsection (b) shall be provided only to school districts that, in consultation with State offices of energy and education, have developed plans that the State energy office determines to be feasible and appropriate in order to achieve the purposes for which such grants were made.

(2) SUPPLEMENTING GRANT FUNDS.—The State agency referred to in paragraph (1) shall encourage qualifying school districts to supplement their grant funds with funds from other sources in the implementation of their plans.

(f) ALLOCATION OF FUNDS.—Except as provided in subsection (c), funds appropriated for the implementation of this section shall be provided to State energy offices to administer the program of assistance to school districts under this section.

(g) PURPOSES.—Except as provided in subsection (c), funds appropriated under this section shall be allocated as follows:

(1) Seventy percent shall be used to make grants under subsection (b)(1).

(2) Fifteen percent shall be used to make grants under subsection (b)(2).

(3) Fifteen percent shall be used to make grants under subsection (b)(3).

(h) OTHER FUNDS.—The Secretary of Energy may, through the Program established under subsection (a), retain an amount, not exceed $300,000 per year, to assist State energy offices in coordinating and implementing such Program. Such funds may be used to develop reference materials to further define the principles and criteria to achieve energy efficient school buildings.

(i) AUTHORIZATION OF APPROPRIATIONS.—For this section, there are authorized to be appropriated $200,000,000 for each of fiscal years 2002 through 2005, and such sums as may be necessary for each of fiscal years 2006 through 2011.

(j) DEFINITIONS.—

(1) ELEMENTARY AND SECONDARY SCHOOL.—The terms ''elementary school'' and ''secondary school'' shall have the same meaning given such terms in paragraphs (14) and (25) of section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(14),(25)).

(2) ENERGY EFFICIENT SCHOOL BUILDING.—The term ''energy efficient school building'' refers to a school building which, in its design, construction, operation, and maintenance maximizes use of renewable energy and efficient energy practices, is cost-effective on a life-cycle basis, uses affordable, environmentally preferable, durable materials, enhances indoor environmental quality, protects and conserves water, and optimizes site potential.

(3) RENEWABLE ENERGY.—The term ''renewable energy'' means energy produced by solar, wind, geothermal, hydroelectric power, and biomass power.

SEC. 4603. AMENDMENTS TO WEATHERIZATION ASSISTANCE PROGRAM.

(a) ELIGIBILITY.—Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6862(7)) is amended—

(1) in paragraph (7)(A), by striking ''125'' and inserting ''150''; and

(2) in paragraph (7)(C), by striking ''125'' and inserting ''150''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 422(a) of the Energy Conservation and Production Act (42 U.S.C. 6872(a)) is amended—

(1) by striking ''$200,000,000'' and inserting ''$250,000,000''; and

(2) by striking ''1991'' and all that follows through ''1994.'' and inserting ''2002, $325,000,000 for fiscal year 2003, $400,000,000 for fiscal year 2004, $500,000,000 for fiscal year 2005, and such sums as are necessary for each fiscal year thereafter.''.

SEC. 4604. AMENDMENTS TO STATE ENERGY PROGRAM.

(a) STATE ENERGY CONSERVATION PLANS.—Section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) is amended by—

(1) redesignating subsection (f) as subsection (g); and

(2) inserting after subsection (e) the following:

''(f) The Secretary shall, at least once every 3 years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of such State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities and actions carried out in pursuit of common energy conservation goals.''.

(b) STATE ENERGY EFFICIENCY GOALS.—Section 364 of the Energy Policy and Conservation Act (42 U.S.C. 6324) is amended—

(1) by striking ''October 1, 1991'' and inserting ''January 1, 2001'';

(2) by striking ''10'' and inserting ''25''; and

(3) by striking ''2000'' and inserting ''2010''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 365(f)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6325(f)(1)) is amended by striking ''and'' and all that follows through ''1993.'' and inserting ''$45,000,000 for fiscal year 1993, $75,000,000 for fiscal year 2002, $100,000,000 for fiscal years 2003 and 2004, $125,000,000 for fiscal year 2005, and such sums as are necessary for each fiscal year thereafter.''.

SEC. 4605. ENHANCEMENT AND EXTENSION OF AUTHORITY RELATING TO FEDERAL ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) ENERGY SAVINGS THROUGH CONSTRUCTION OF REPLACEMENT FACILITIES.—Section 804 of the National Energy Conservation Policy Act (42 U.S.C. 8287c) is amended—

(1) in paragraph (2)—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting ''(A)'' after ''(2)''; and

(C) by adding at the end the following:

''(B) The term 'energy savings' also means a reduction in the cost of energy, from such a base cost established through a methodology set forth in the contract, that would otherwise be utilized in 1 or more existing federally owned buildings or other federally owned facilities by reason of the construction and operation of 1 or more new buildings or facilities.''; and

(2) in paragraph (3), by inserting after the first sentence the following: ''The terms also mean a contract that provides for energy savings through the construction or operation of 1 or more new buildings or facilities.''.

(b) COST SAVINGS FROM OPERATION AND MAINTENANCE EFFICIENCIES IN REPLACEMENT FACILITIES.—Section 801(a) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following:

''(3)(A) In the case of an energy savings contract or energy savings performance contract providing for energy savings through the construction and operation of 1 or more buildings or facilities to replace 1 or more existing buildings or facilities, benefits ancillary to the purpose of such contract under paragraph (1) may include savings resulting from reduced costs of operation and maintenance at new and/or additional buildings or facilities, from a base cost of operation and maintenance established through a methodology set forth in the contract.

''(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency under an energy savings contract or energy savings performance contract referred to in subparagraph (A) may take into account (through the procedures developed pursuant to this section) savings resulting from reduced costs of operation and maintenance as described in that subparagraph.''.

(c) 5-YEAR EXTENSION OF AUTHORITY.—Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking ''October 1, 2003'' and inserting ''October 1, 2008''.

(d) UTILITY INCENTIVE PROGRAMS.—Section 546(e) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended—

(1) in paragraph (3), by adding at the end the following: ''Such a utility incentive program may include a contract or contract term designed to provide for cost-effective electricity demand management, energy efficiency, or water conservation. Notwithstanding section 201(a)(3) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)(3)), such contracts or contract terms may be made for periods not exceeding 25 years.''; and

(2) by adding at the end the following:

''(6) A utility incentive program may include a contract or contract term for a reduction in the cost of energy, from a base cost established through a methodology set forth in such a contract, that would otherwise be utilized in 1 or more federally owned buildings or other federally owned facilities by reason of the construction or operation of 1 or more buildings or facilities, as well as benefits ancillary to the purpose of such contract or contract term, including savings resulting from reduced costs of operation and maintenance at new and/or additional buildings or facilities when compared with the costs of operation and maintenance at existing buildings or facilities.''.

SEC. 4606. FEDERAL ENERGY EFFICIENCY REQUIREMENT.

(a) IN GENERAL.—Through cost-effective measures, each agency shall reduce energy consumption per gross square foot of its facilities by 30 percent by 2010 and 50 percent by 2020 relative to 1990.

(b) IMPLEMENTATION PLAN.—Not later than 1 year after date of enactment of this section, each agency shall develop and submit to Congress and the President an implementation plan for fulfilling the requirements of this section.

(c) ANNUAL REPORT.—

(1) IN GENERAL.—Each agency shall measure and report annually to Congress and the President its progress in meeting the requirements of this section.

(2) GUIDELINES.—The Secretary of Energy, in consultation with the Administrator of the Energy Information Administration, shall develop and issue guidelines for agencies' preparation of their annual report, including guidance on how to measure energy consumption in Federal facilities.

(d) EXEMPTION OF CERTAIN FACILITIES.—A facility may be deemed exempt when the Secretary determines that compliance with the Energy Policy Act of 1992 is not practical for that particular facility. Not later than 1 year from date of enactment, the Secretary shall, in consultation with the Administrator of the Energy Information Administration, set guidelines for agencies to use in excluding certain kinds of facilities to meet the requirements of this section.

(e) APPLICABILITY.—The Department of Defense is subject to this order only to the extent that it does not impair or adversely affect military operations and training (including tactical aircraft, ships, weapons systems, combat training, and border security).

(f) DEFINITIONS.—For the purposes of this section—

(1) ''agency'' means an executive agency as defined in 5 U.S.C. 105. Military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.

(2) ''facility'' means any individual building or collection of buildings, grounds, or structure, as well as any fixture or part thereof, including the associated energy or water-consuming support systems, which is constructed, renovated, or purchased in whole or in part for use by the Federal Government. It includes leased facilities where the Federal Government has a purchase option or facilities planned for purchase. In any provision of this order, the term ''facility'' also includes any building 100 percent leased for use by the Federal Government where the Federal Government pays directly or indirectly for the utility costs associated with its leased space, and Government-owned contractor-operated facilities.

SEC. 4607. ENERGY EFFICIENCY SCIENCE INITIATIVE.

There are authorized to be appropriated $25,000,000 for fiscal year 2001 and such sums as are necessary for each fiscal year thereafter, but not to exceed $50,000,000 in any fiscal year, for an Energy Efficiency Science Initiative to be managed by the Assistant Secretary for Energy Efficiency and Renewable Energy in consultation with the Director of the Office of Science, for grants to be competitively awarded and subject to peer review for research relating to energy efficiency. The Secretary of Energy shall submit to the Committee on Science and the Committee on Appropriations of the United States House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Appropriations of the United States Senate, an annual report on the activities of the Energy Efficiency Science Initiative, including a description of the process used to award the funds and an explanation of how the research relates to energy efficiency.

TITLE VII—ALTERNATIVE FUELS AND RENEWABLE ENERGY

Subtitle A—Alternative Fuels

SEC. 4701. EXCEPTION TO HOV PASSENGER REQUIREMENTS FOR ALTERNATIVE FUEL VEHICLES.

Section 102(a)(1) of title 23, United States Code, is amended by inserting ''(unless, at the discretion of the State transportation department, the vehicle operates on, or is fueled by, an alternative fuel (as defined in section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211)))'' after ''required''.

SEC. 4702. ALTERNATIVE FUEL VEHICLE CREDITS FOR INSTALLATION OF QUALIFYING INFRASTRUCTURE.

Section 508 of the Energy Policy Act of 1992 (42 U.S.C. 13258) is amended by adding at the end the following:

''(e) CREDIT FOR ACQUISITION OR INSTALLATION OF QUALIFYING INFRASTRUCTURE.—The Secretary shall allocate an infrastructure credit to a fleet or covered person that is required to acquire an alternative fueled vehicle under this title, or to a Federal fleet as defined by section 303(b)(3) of title III of this Act, for the acquisition or installation of the fuel or the needed infrastructure, including the supply and delivery systems, necessary to operate or maintain the alternative fueled vehicle. Such necessary infrastructure shall include—

''(1) equipment required to refuel or recharge the alternative fueled vehicle;

''(2) facilities or equipment required to maintain, repair or operate the alternative fueled vehicle;

''(3) training programs, educational materials or other activities necessary to provide information regarding the operation, maintenance or benefits associated with the alternative fueled vehicle; and

''(4) such other activity as the Secretary deems an appropriate expenditure in support of the operation, maintenance or further wide spread adoption or utilization of the alternative fueled vehicle.

''(f) QUALIFYING INFRASTRUCTURE CREDIT.—The term 'infrastructure credit' shall mean—

''(1) that equipment or activity defined in subsection (e) above; and

''(2) be equivalent in cost to the acquisition of an alternative fueled vehicle for which the expenditure on the infrastructure is made.

''(g) LIMITATION ON NUMBER OF INFRASTRUCTURE CREDITS ISSUED.—Each fleet or covered person that is required to acquire an alternative fueled vehicle under this title, or each Federal fleet as defined by section 303(b)(3) of title III of this Act, shall be limited in the number of infrastructure credits that may be acquired and used to meet the alternative fueled vehicle requirements of this Act to no more than the equivalent of ½ of the alternative fueled vehicles required per annum.''.

SEC. 4703. STATE AND LOCAL GOVERNMENT USE OF FEDERAL ALTERNATIVE FUEL REFUELING FACILITIES.

Section 304 of the Energy Policy Act of 1992 (42 U.S.C. 13213) is amended by adding at the end the following:

''(c) STATE AND LOCAL GOVERNMENT OWNED VEHICLES.—Federal agencies may include any alternative fuel vehicles owned by States or local governments in any commercial arrangements for the purpose of fueling Federal alternative fueled vehicles as authorized under subsection (a) of this section. The Secretary may allocate equivalent infrastructure credits to a Federal fleet as defined by section 303(b)(3) of title III of this Act, for the inclusion of such vehicles in any such commercial fueling arrangements.''.

SEC. 4704. FEDERAL FLEET FUEL ECONOMY AND USE OF ALTERNATIVE FUELS.

(a) FUEL ECONOMY.—Through cost-effective measures, each agency shall increase the average EPA fuel economy rating of passenger cars and light trucks acquired by at least 3 miles per gallon by the end of fiscal year 2005 compared to acquisitions in fiscal year 2000.

(b) USE OF ALTERNATIVE FUELS.—Through cost-effective measures, each agency shall, by the end of fiscal year 2005, use alternative fuels for at least 50 percent of the total annual volume of fuel used by the agency. No more than 25 percent of fuel purchased by State and local governments at federally-owned refueling facilities may be included by an agency in meeting the requirement of this section.

(c) IMPLEMENTATION PLAN.—Not later than 1 year after date of enactment of this section, each agency shall develop and submit to Congress and the President an implementation plan for fulfilling the requirements of this section. Each agency should develop an implementation plan that meets its unique fleet configuration and fleet requirements.

(d) ANNUAL REPORT.—

(1) IN GENERAL.—Each agency shall measure and report annually to Congress and the President its progress in meeting the requirements of this section.

(2) GUIDELINES.—The Secretary of Energy, through the Federal Energy Management Program and in consultation with the Administrator of the Energy Information Administration, shall develop and issue guidelines for agencies' preparation of their annual report, including guidance on how to measure fuel economy for the collection and annual reporting of data to demonstrate compliance with the requirements of this section.

(e) APPLICABILITY.—This order applies to each Federal agency operating 20 or more motor vehicles within the United States.

(f) EXEMPTION OF CERTAIN VEHICLES.—Department of Defense military tactical vehicles are exempt from this order. Law enforcement, emergency, and any other vehicle class or type determined by the Secretary, in consultation with the Federal Energy Management Program, are exempted from the requirements of this section. Not later than 1 year from date of enactment, the Secretary shall, in consultation with the Federal Energy Management Program, set guidelines for agencies to use in the determination of exemptions.

(g) DEFINITIONS.—In this section:

(1) AGENCY.—The term ''agency'' means an executive agency as defined in 5 U.S.C. 105. (Military departments, as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.)

(2) ALTERNATIVE FUEL.—The term ''alternative fuel'' means any fuel defined as an alternative fuel pursuant to section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211).

(h) CONFORMING AMENDMENTS.—Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended as follows:

(1) in subsection (a)(3)(E), by striking the period at the end and inserting the following: '', except that, not later than fiscal year 2005 at least 50 percent of the total annual volume of fuel used must be from alternative fuels.''; and

(2) in subsection (g)(4)(B), after the words, ''solely on alternative fuel'', insert the words '', including a 3-wheeled enclosed electric vehicle having a VIN number''.

SEC. 4705. LOCAL GOVERNMENT GRANT PROGRAM.

(a) ESTABLISHMENT.—Within 1 year of date of enactment of this section, the Secretary of Energy shall establish a program for making grants to local governments for covering the incremental cost of qualified alternative fuel motor vehicles.

(b) CRITERIA.—In deciding to whom grants shall be made under this subsection, the Secretary of Energy shall consider the goal of assisting the greatest number of applicants, provided that no grant award shall exceed $1,000,000.

(c) PRIORITIES.—Priority shall be given under this section to those local government fleets where the use of alternative fuels would have a significant beneficial effect on energy security and the environment.

(d) QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE DEFINED.—For purposes of this section, the term ''qualified motor vehicle'' means any motor vehicle which is capable of operating only on an alternative fuel.

(e) INCREMENTAL COST.—For purposes of this section, the incremental cost of any qualified alternative fuel motor vehicle is equal to the amount of the excess of the manufacturer's suggested retail price for such vehicle over such price for a gasoline or diesel motor vehicle of the same model.

(f) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated $100,000,000 annually for each of the fiscal years 2002 through 2006.

Subtitle B—Renewable Energy

SEC. 4710. RESIDENTIAL RENEWABLE ENERGY GRANT PROGRAM.

(a) IN GENERAL.—The Secretary of Energy shall develop and implement a grant program to offset a portion of the total cost of certain eligible residential renewable energy systems.

(b) ELIGIBILITY.—Grants may be awarded for—

(1) the new installation of an eligible residential renewable energy system for an existing dwelling unit;

(2) the purchase of an existing dwelling unit with an eligible residential renewable energy system that was installed prior to the date of enactment of this section;

(3) the addition to or augmentation of an existing eligible residential renewable energy system installed on a dwelling unit prior to the date of enactment of this section, provided that any such addition or augmentation results in additional electricity, heat, or other useful energy; or

(4) the construction of a new home or rental property which includes an eligible residential renewable energy system.

(c) TOTAL COST.—

(1) IN GENERAL.—For purposes of this section, ''total cost'' means expenditure of funds for—

(A) any equipment whose primary purpose is to provide for the collection, conversion, transfer, distribution, storage or control of electricity or heat generated from renewable energy;

(B) installation charges;

(C) labor costs properly allocable to the on-site preparation, assembly, or original installation of the system; and

(D) piping or wiring to interconnect such system to the dwelling unit.

(2) LEASED SYSTEMS.—In the case of a system that is leased, ''total cost'' means the principal recovery portion of all lease payments scheduled to be made during the full term of the lease, excluding interest charges and maintenance expenses.

(3) EXISTING SYSTEMS.—In the case of addition to or augmentation of an existing system, ''total cost'' shall include only those expenditures related to the incremental cost of the addition or augmentation, and not the full cost of the system.

(d) COST BUY-DOWN.—Grants provided under this section shall not exceed $3,000 per eligible residential renewable energy system, and shall be limited further as follows:

(1) For fiscal years 2002 and 2003, grants provided under this section shall be limited to the smaller of—

(A) 50 percent of the total cost of the energy system; or

(B) $3.00 per watt of system electricity output or equivalent.

(2) For fiscal years 2004 and 2005, grants provided under this section shall be limited to the smaller of—

(A) 40 percent of the total cost of the energy system; or

(B) $2.50 per watt of system electricity output.

(3) For fiscal years 2006 and 2007, grants provided under this section shall be limited to the smaller of—

(A) 30 percent of the total cost of the energy system; or

(B) $2.00 per watt of system electricity output.

(4) For fiscal years 2008 and 2009, grants provided under this section shall be limited to the smaller of—

(A) 20 percent of the total cost of the energy system; or

(B) $1.50 per watt of system electricity output.

(5) For fiscal years 2010 and 2011, grants provided under this section shall be limited to the smaller of—

(A) 10 percent of the total cost of the energy system; or

(B) $1.00 per watt of system electricity output.

(e) LIMITATIONS.—No grant shall be allowed under this section for an eligible residential renewable energy system unless—

(1) such expenditure is made for property installed on or in connection with a dwelling unit which is located in the United States and which is used as a residence;

(2) in the case of solar water heating equipment, such equipment is certified for performance and safety by the nonprofit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the State in which such property is installed; and

(3) such system meets appropriate fire and electric code requirements.

(f) RENEWABLE ENERGY.—

(1) DEFINITIONS.—In this subsection:

(A) FORM OF RENEWABLE ENERGY.—The term ''form of renewable energy'' means energy produced through the use of—

(i) a solar thermal system;

(ii) a solar photovoltaic system;

(iii) wind;

(iv) biomass;

(v) a hydroelectric system; or

(vi) a source of geothermal energy.

(B) RENEWABLE ENERGY SYSTEM.—The term ''renewable energy system'' means property that uses a form of renewable energy to create electricity, heat, or any other form of useful energy.

(2) SOLAR PANELS.—No expenditure relating to a solar panel or other property installed as a roof (or portion thereof) shall fail to be treated as property described in paragraph (1) solely because it constitutes a structural

component of the structure on which it is installed.

(3) ENERGY STORAGE MEDIUM.—Expenditures which are properly allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage shall not be taken into account for purposes of this section.

(g) SPECIAL RULES.—For purposes of this section:

(1) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who is a tenant-stockholder (as defined in 26 U.S.C. 216) in a cooperative housing corporation (as defined in such section), such individual shall be treated as having made his tenant-stockholder's proportionate share (as defined in 26 U.S.C. 216(b)(3)) of any expenditures of such corporation.

(2) CONDOMINIUMS.—

(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which he owns, such individual shall be treated as having made his proportionate share of any expenditures of such association.

(B) CONDOMINIUM MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term ''condominium management association'' means an organization which meets the requirements of paragraph (1) of 26 U.S.C. 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

(3) RENEWABLE ENERGY SYSTEMS FOR MULTIPLE DWELLINGS.—

(A) IN GENERAL.—Any expenditure otherwise qualifying as an expenditure described in paragraph (1) of subsection (c) shall not be treated as failing to so qualify merely because such expenditure was made with respect to 2 or more dwelling units.

(B) LIMITS APPLIED SEPARATELY.—In the case of any expenditure described in subparagraph (A), the amount of the grant available under subsection (d) shall be computed separately with respect to the amount of the expenditure made for each dwelling unit.

(h) ANNUAL REPORT.—The Secretary shall submit to Congress and the President an annual report on grants distributed pursuant to this section. The report shall include, at minimum—

(1) a summary of the eligible residential renewable energy systems receiving grants in the year just concluded;

(2) an estimate of new renewable energy generation installed as a result of grants awarded, and its distribution by renewable energy source and geographic location;

(3) evidence that the program is contributing to declining costs for renewable energy technologies; and

(4) description of the methods used to award such grants.

(i) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are authorized to be appropriated $30,000,000 for fiscal year 2002 and such sums as are necessary for each fiscal year thereafter, but not to exceed $150,000,000 in any fiscal year.

SEC. 4711. ASSESSMENT OF RENEWABLE ENERGY RESOURCES.

(a) IN GENERAL.—Not later than twelve months after the date of enactment of this section, the Secretary of Energy shall submit to Congress an assessment of all renewable energy resources available within the United States.

(b) RESOURCE ASSESSMENT.—Such report shall include a detailed inventory describing the available amount and characteristics of solar, wind, biomass, geothermal, hydroelectric and other renewable energy sources, and an estimate of the costs needed to develop each resource. The report shall also include such other information as the Secretary of Energy believes would be useful in siting renewable energy generation, such as appropriate terrain, population and load centers, nearby energy infrastructure, and location of energy and water resources.

(c) AVAILABILITY.—The information and cost estimates in this report shall be updated annually and made available to the public, along with the data used to create the report.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this section, there are authorized to be appropriated $10,000,000 for fiscal years 2002 through 2006.

Subtitle C—Hydroelectric Licensing Reform

SEC. 4721. SHORT TITLE.

This subtitle may be cited as the ''Hydroelectric Licensing Process Improvement Act of 2001''.

SEC. 4722. FINDINGS.

Congress finds that—

(1) hydroelectric power is an irreplaceable source of clean, economic, renewable energy with the unique capability of supporting reliable electric service while maintaining environmental quality;

(2) hydroelectric power is the leading renewable energy resource of the United States;

(3) hydroelectric power projects provide multiple benefits to the United States, including recreation, irrigation, flood control, water supply, and fish and wildlife benefits;

(4) in the next 15 years, the bulk of all non-Federal hydroelectric power capacity in the United States is due to be relicensed by the Federal Energy Regulatory Commission;

(5) the process of licensing hydroelectric projects by the Commission—

(A) does not produce optimal decisions, because the agencies that participate in the process are not required to consider the full effects of their mandatory and recommended conditions on a license;

(B) is inefficient, in part because agencies do not always submit their mandatory and recommended conditions by a time certain;

(C) is burdened by uncoordinated environmental reviews and duplicative permitting authority; and

(D) is burdensome for all participants and too often results in litigation; and

(6) while the alternative licensing procedures available to applicants for hydroelectric project licenses provide important opportunities for the collaborative resolution of many of the issues in hydroelectric project licensing, those procedures are not appropriate in every case and cannot substitute for statutory reforms of the hydroelectric licensing process.

SEC. 4723. PURPOSE.

The purpose of this subtitle is to achieve the objective of relicensing hydroelectric power projects to maintain high environmental standards while preserving low cost power by—

(1) requiring agencies to consider the full effects of their mandatory and recommended conditions on a hydroelectric power license and to document the consideration of a broad range of factors;

(2) requiring the Federal Energy Regulatory Commission to impose deadlines by which Federal agencies must submit proposed mandatory and recommended conditions to a license; and

(3) making other improvements in the licensing process.

SEC. 4724. PROCESS FOR CONSIDERATION BY FEDERAL AGENCIES OF CONDITIONS TO LICENSES.

(a) IN GENERAL.—Part I of the Federal Power Act (16 U.S.C. 791a et seq.) is amended by adding at the end the following:

''SEC. 33. PROCESS FOR CONSIDERATION BY FEDERAL AGENCIES OF CONDITIONS TO LICENSES.

''(a) DEFINITIONS.—In this section:

''(1) CONDITION.—The term 'condition' means—

''(A) a condition to a license for a project on a Federal reservation determined by a consulting agency for the purpose of the first proviso of section 4(e); and

''(B) a prescription relating to the construction, maintenance, or operation of a fishway determined by a consulting agency for the purpose of the first sentence of section 18.

''(2) CONSULTING AGENCY.—The term 'consulting agency' means—

''(A) in relation to a condition described in paragraph (1)(A), the Federal agency with responsibility for supervising the reservation; and

''(B) in relation to a condition described in paragraph (1)(B), the Secretary of the Interior or the Secretary of Commerce, as appropriate.

''(b) FACTORS TO BE CONSIDERED.—

''(1) IN GENERAL.—In determining a condition, a consulting agency shall take into consideration—

''(A) the impacts of the condition on—

''(i) economic and power values;

''(ii) electric generation capacity and system reliability;

''(iii) air quality (including consideration of the impacts on greenhouse gas emissions); and

''(iv) drinking, flood control, irrigation, navigation, or recreation water supply;

''(B) compatibility with other conditions to be included in the license, including mandatory conditions of other agencies, when available; and

''(C) means to ensure that the condition addresses only direct project environmental impacts, and does so at the lowest project cost.

''(2) DOCUMENTATION.—

''(A) IN GENERAL.—In the course of the consideration of factors under paragraph (1) and before any review under subsection (e), a consulting agency shall create written documentation detailing, among other pertinent matters, all proposals made, comments received, facts considered, and analyses made regarding each of those factors sufficient to demonstrate that each of the factors was given full consideration in determining the condition to be submitted to the Commission.

''(B) SUBMISSION TO THE COMMISSION.—A consulting agency shall include the documentation under subparagraph (A) in its submission of a condition to the Commission.

''(c) SCIENTIFIC REVIEW.—

''(1) IN GENERAL.—Each condition determined by a consulting agency shall be subjected to appropriately substantiated scientific review.

''(2) DATA.—For the purpose of paragraph (1), a condition shall be considered to have been subjected to appropriately substantiated scientific review if the review—

''(A) was based on current empirical data or field-tested data; and

''(B) was subjected to peer review.

''(d) RELATIONSHIP TO IMPACTS ON FEDERAL RESERVATION.—In the case of a condition for the purpose of the first proviso of section 4(e), each condition determined by a consulting agency shall be directly and reasonably related to the impacts of the project within the Federal reservation.

''(e) ADMINISTRATIVE REVIEW.—

''(1) OPPORTUNITY FOR REVIEW.—Before submitting to the Commission a proposed condition, and at least 90 days before a license applicant is required to file a license application with the Commission, a consulting

agency shall provide the proposed condition to the license applicant and offer the license applicant an opportunity to obtain expedited review before an administrative law judge or other independent reviewing body of—

''(A) the reasonableness of the proposed condition in light of the effect that implementation of the condition will have on the energy and economic values of a project; and

''(B) compliance by the consulting agency with the requirements of this section, including the requirement to consider the factors described in subsection (b)(1).

''(2) COMPLETION OF REVIEW.—

''(A) IN GENERAL.—A review under paragraph (1) shall be completed not more than 180 days after the license applicant notifies the consulting agency of the request for review.

''(B) FAILURE TO MAKE TIMELY COMPLETION OF REVIEW.—If review of a proposed condition is not completed within the time specified by subparagraph (A), the Commission may treat a condition submitted by the consulting agency as a recommendation is treated under section 10(j).

''(3) REMAND.—If the administrative law judge or reviewing body finds that a proposed condition is unreasonable or that the consulting agency failed to comply with any of the requirements of this section, the administrative law judge or reviewing body shall—

''(A) render a decision that—

''(i) explains the reasons for a finding that the condition is unreasonable and may make recommendations that the administrative law judge or reviewing body may have for the formulation of a condition that would not be found unreasonable; or

''(ii) explains the reasons for a finding that a requirement was not met and may describe any action that the consulting agency should take to meet the requirement; and

''(B) remand the matter to the consulting agency for further action.

''(4) SUBMISSION TO THE COMMISSION.—Following administrative review under this subsection, a consulting agency shall—

''(A) take such action as is necessary to—

''(i) withdraw the condition;

''(ii) formulate a condition that follows the recommendation of the administrative law judge or reviewing body; or

''(iii) otherwise comply with this section; and

''(B) include with its submission to the Commission of a proposed condition—

''(i) the record on administrative review; and

''(ii) documentation of any action taken following administrative review.

''(f) SUBMISSION OF FINAL CONDITION.—

''(1) IN GENERAL.—After an applicant files with the Commission an application for a license, the Commission shall set a date by which a consulting agency shall submit to the Commission a final condition.

''(2) LIMITATION.—Except as provided in paragraph (3), the date for submission of a final condition shall be not later than 1 year after the date on which the Commission gives the consulting agency notice that a license application is ready for environmental review.

''(3) DEFAULT.—If a consulting agency does not submit a final condition to a license by the date set under paragraph (1)—

''(A) the consulting agency shall not thereafter have authority to recommend or establish a condition to the license; and

''(B) the Commission may, but shall not be required to, recommend or establish an appropriate condition to the license that—

''(i) furthers the interest sought to be protected by the provision of law that authorizes the consulting agency to propose or establish a condition to the license; and

''(ii) conforms to the requirements of this Act.

''(4) EXTENSION.—The Commission may make 1 extension, of not more than 30 days, of a deadline set under paragraph (1).

''(g) ANALYSIS BY THE COMMISSION.—

''(1) ECONOMIC ANALYSIS.—The Commission shall conduct an economic analysis of each condition submitted by a consulting agency to determine whether the condition would render the project uneconomic.

''(2) CONSISTENCY WITH THIS SECTION.—In exercising authority under section 10(j)(2), the Commission shall consider whether any recommendation submitted under section 10(j)(1) is consistent with the purposes and requirements of subsections (b) and (c) of this section.

''(h) COMMISSION DETERMINATION ON EFFECT OF CONDITIONS.—When requested by a license applicant in a request for rehearing, the Commission shall make a written determination on whether a condition submitted by a consulting agency—

''(1) is in the public interest, as measured by the impact of the condition on the factors described in subsection (b)(1);

''(2) was subjected to scientific review in accordance with subsection (c);

''(3) relates to direct project impacts within the reservation, in the case of a condition for the first proviso of section 4(e);

''(4) is reasonable;

''(5) is supported by substantial evidence; and

''(6) is consistent with this Act and other terms and conditions to be included in the license.''.

(b) CONFORMING AND TECHNICAL AMENDMENTS.—

(1) SECTION 4.—Section 4(e) of the Federal Power Act (16 U.S.C. 797(e)) is amended—

(A) in the first proviso of the first sentence, by inserting after ''conditions'' the following: '', determined in accordance with section 33,''; and

(B) in the last sentence, by striking the period and inserting ''(including consideration of the impacts on greenhouse gas emissions)''.

(2) SECTION 18.—Section 18 of the Federal Power Act (16 U.S.C. 811) is amended in the first sentence by striking ''prescribed by the Secretary of Commerce'' and inserting ''prescribed, in accordance with section 33, by the Secretary of the Interior or the Secretary of Commerce, as appropriate.''

SEC. 4725. COORDINATED ENVIRONMENTAL REVIEW PROCESS.

Part I of the Federal Power Act (16 U.S.C. 791a et seq.) (as amended by section 4724) is amended by adding at the end the following:

''SEC. 34. COORDINATED ENVIRONMENTAL REVIEW PROCESS.

''(a) LEAD AGENCY RESPONSIBILITY.—The Commission, as the lead agency for environmental reviews under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) for projects licensed under this part, shall conduct a single consolidated environmental review—

''(1) for each such project; or

''(2) if appropriate, for multiple projects located in the same area.

''(b) CONSULTING AGENCIES.—In connection with the formulation of a condition in accordance with section 33, a consulting agency shall not perform any environmental review in addition to any environmental review performed by the Commission in connection with the action to which the condition relates.

''(c) DEADLINES.—

''(1) IN GENERAL.—The Commission shall set a deadline for the submission of comments by Federal, State, and local government agencies in connection with the preparation of any environmental impact statement or environmental assessment required for a project.

''(2) CONSIDERATIONS.—In setting a deadline under paragraph (1), the Commission shall take into consideration—

''(A) the need of the license applicant for a prompt and reasonable decision;

''(B) the resources of interested Federal, State, and local government agencies; and

''(C) applicable statutory requirements.''.

SEC. 4726. STUDY OF SMALL HYDROELECTRIC PROJECTS.

(a) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Federal Energy Regulatory Commission shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Commerce of the House of Representatives a study of the feasibility of establishing a separate licensing procedure for small hydroelectric projects.

(b) DEFINITION OF SMALL HYDROELECTRIC PROJECT.—The Commission may by regulation define the term ''small hydroelectric project'' for the purpose of subsection (a), except that the term shall include at a minimum a hydroelectric project that has a generating capacity of 5 megawatts or less.

TITLE VIII—ELECTRIC SUPPLY RELIABILITY; PURPA REPEAL; PUHCA REPEAL

Subtitle A—Electric Energy Transmission Reliability

SEC. 4801. SHORT TITLE.

This subtitle may be cited as the ''National Electric Reliability Act''.

SEC. 4802. ELECTRIC ENERGY TRANSMISSION RELIABILITY.

(a) ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.—

(1) IN GENERAL.—Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

''SEC. 215. ELECTRIC RELIABILITY ORGANIZATION AND OVERSIGHT.

''(a) DEFINITIONS.—In this section:

''(1) AFFILIATED REGIONAL RELIABILITY ENTITY.—The term 'affiliated regional reliability entity' means an entity delegated authority under the provisions of subsection (h).

''(2) BULK POWER SYSTEM.—The term 'bulk power system' means all facilities and control systems necessary for operating an interconnected transmission grid (or any portion thereof), including high-voltage transmission lines; substations; control centers; communications; data, and operations planning facilities; and the output of generating units necessary to maintain transmission system reliability.

''(3) ELECTRIC RELIABILITY ORGANIZATION, OR ORGANIZATION.—The term 'Electric Reliability Organization' or 'Organization' means the organization approved by the Commission under subsection (d)(4).

''(4) ENTITY RULE.—The term 'entity rule' means a rule adopted by an affiliated regional reliability entity for a specific region and designed to implement or enforce 1 or more Organization Standards. An entity rule shall be approved by the organization and once approved, shall be treated as an Organization Standard.

''(5) INDUSTRY SECTOR.—The term 'industry sector' means a group of users of the bulk power system with substantially similar commercial interests, as determined by the Board of the Electric Reliability Organization.

''(6) INTERCONNECTION.—The term 'interconnection' means a geographic area in which the operation of bulk power system components is synchronized such that the failure of 1 or more such components may

adversely affect the ability of the operators of other components within the interconnection to maintain safe and reliable operation of the facilities within their control.

''(7) ORGANIZATION STANDARD.—The term 'Organization Standard' means a policy or standard duly adopted by the Electric Reliability Organization to provide for the reliable operation of a bulk power system.

''(8) PUBLIC INTEREST GROUP.—The term 'public interest group' means any nonprofit private or public organization that has an interest in the activities of the Electric Reliability Organization, including, but not limited to, ratepayer advocates, environmental groups, and State and local government organizations that regulate market participants and promulgate government policy.

''(9) VARIANCE.—The term 'variance' means an exception or variance from the requirements of an Organization Standard (including a proposal for an Organization Standard where there is no Organization Standard) that is adopted by an affiliated regional reliability entity and applicable to all or a part of the region for which the affiliated regional reliability entity is responsible. A variance shall be approved by the organization and once approved, shall be treated as an Organization Standard.

''(10) SYSTEM OPERATOR.—The term 'system operator' means any entity that operates or is responsible for the operation of a bulk power system, including but not limited to a control area operator, an independent system operator, a regional transmission organization, a transmission company, a transmission system operator, or a regional security coordinator.

''(11) USER OF THE BULK POWER SYSTEM.—The term 'user of the bulk power system' means any entity that sells, purchases, or transmits electric power over a bulk power system, or that owns, operates, or maintains facilities or control systems that are part of a bulk power system, or that is a system operator.

''(b) COMMISSION AUTHORITY.—

''(1) Within the United States, the Commission shall have jurisdiction over the Electric Reliability Organization, all affiliated regional reliability entities, all system operators, and all users of the bulk-power system, for purposes of approving and enforcing compliance with the requirements of this section.

''(2) The Commission may, by rule, define any other term used in this section, provided such definition is consistent with the definitions in, and the purpose and intent of, this Act.

''(3) Not later than 90 days after the date of enactment of this section, the Commission shall issue a proposed rule for implementing the requirements of this section. The Commission shall provide notice and opportunity for comment on the proposed rule. The Commission shall issue a final rule under this subsection within 180 days after the date of enactment of this section.

''(4) Nothing in this section shall be construed as limiting or impairing any authority of the Commission under any other provision of this Act, including its exclusive authority to determine rates, terms, and conditions of transmission services subject to its jurisdiction.

''(c) EXISTING RELIABILITY STANDARDS.—After the date of enactment of this section, and prior to the approval of an organization under subsection (d), any entity, including the North American Electric Reliability Council and its member regional reliability councils, may file any reliability standard, guidance, or practice that such entity would propose to be made mandatory and enforceable. The Commission, after allowing an opportunity to submit comments, may approve any such proposed mandatory standard, guidance, or practice, or any amendment thereto, if it finds that the standard, guidance, or practice, or amendment is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission may, without further proceeding or finding, grant its approval to any standard, guidance, or practice for which no substantive objections are filed in the comment period. Filed standards, guidances, or practices, including any amendments thereto, shall be mandatory and applicable according to their terms following approval by the Commission and shall remain in effect until—

''(1) withdrawn, disapproved, or superseded by an Organization Standard, issued or approved by the Electric Reliability Organization and made effective by the Commission under subsection (e); or

''(2) disapproved by the Commission if, upon complaint or upon its own motion and after notice and an opportunity for comment, the Commission finds the standard, guidance, or practice unjust, unreasonable, unduly discriminatory, or preferential or not in the public interest.

Standards, guidances, or practices in effect pursuant to the provisions of this subsection shall be enforceable by the Commission.

''(d) ORGANIZATION APPROVAL.—

''(1) Following the issuance of a final Commission rule under subsection (b)(3), an entity may submit an application to the Commission for approval as the Electric Reliability Organization. The applicant shall specify in its application its governance and procedures, as well as its funding mechanism and initial funding requirements.

''(2) The Commission shall provide public notice of the application and afford interested parties an opportunity to comment.

''(3) The Commission shall approve the application if the Commission determines that the applicant—

''(A) has the ability to develop, implement, and enforce standards that provide for an adequate level of reliability of the bulk power system;

''(B) permits voluntary membership to any user of the bulk power system or public interest group;

''(C) ensures fair representation of its members in the selection of its directors and fair management of its affairs, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards and the exercise of oversight of bulk power system reliability;

''(D) ensures that no 2 industry sectors have the ability to control, and no 1 industry sector has the ability to veto, the Electric Reliability Organization's discharge of its responsibilities (including actions by committees recommending standards to the board or other board actions to implement and enforce standards);

''(E) provides for governance by a board wholly comprised of independent directors;

''(F) provides a funding mechanism and requirements that are just, reasonable, and not unduly discriminatory or preferential and are in the public interest, and which satisfy the requirements of subsection (l);

''(G) establishes procedures for development of Organization Standards that provide reasonable notice and opportunity for public comment, taking into account the need for efficiency and effectiveness in decisionmaking and operations and the requirements for technical competency in the development of Organization Standards, and which standards development process has—

''(i) openness;

''(ii) balance of interests; and

''(iii) due process, except that the procedures may include alternative procedures for emergencies;

''(H) establishes fair and impartial procedures for implementation and enforcement of Organization Standards, either directly or through delegation to an affiliated regional reliability entity, including the imposition of penalties, limitations on activities, functions, or operations, or other appropriate sanctions;

''(I) establishes procedures for notice and opportunity for public observation of all meetings, except that the procedures for public observation may include alternative procedures for emergencies or for the discussion of information the directors determine should take place in closed session, such as litigation, personnel actions, or commercially sensitive information;

''(J) provides for the consideration of recommendations of States and State commissions; and

''(K) addresses other matters that the Commission may deem necessary or appropriate to ensure that the procedures, governance, and funding of the Electric Reliability Organization are just, reasonable, not unduly discriminatory or preferential, and are in the public interest.

''(4) The Commission shall approve only 1 Electric Reliability Organization. If the Commission receives 2 or more timely applications that satisfy the requirements of this subsection, the Commission shall approve only the application it concludes will best implement the provisions of this section.

''(e) ESTABLISHMENT OF AND MODIFICATIONS TO ORGANIZATION STANDARDS.—

''(1) The Electric Reliability Organization shall file with the Commission any new or modified organization standards, including any variances or entity rules, and the Commission shall follow the procedures under paragraph (2) for review of that filing.

''(2) Submissions under paragraph (1) shall include—

''(A) a concise statement of the purpose of the proposal; and

''(B) a record of any proceedings conducted with respect to such proposal.

The Commission shall provide notice of the filing of such proposal and afford interested entities 30 days to submit comments. The Commission, after taking into consideration any submitted comments, shall approve or disapprove such proposal not later than 60 days after the deadline for the submission of comments, except that the Commission may extend the 60 day period for an additional 90 days for good cause, and except further that if the Commission does not act to approve or disapprove a proposal within the foregoing periods, the proposal shall go into effect subject to its terms, without prejudice to the authority of the Commission thereafter to modify the proposal in accordance with the standards and requirements of this section. Proposals approved by the Commission shall take effect according to their terms but not earlier than 30 days after the effective date of the Commission's order, except as provided in paragraph (3) of this subsection.

''(3)(A) In the exercise of its review responsibilities under this subsection, the Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a new or modified organization standard, but shall not defer to the organization with respect to the effect of the standard on competition. The Commission shall approve a proposed new or modified organization standard if it determines the proposal to be just, reasonable, not unduly discriminatory or preferential, and in the public interest.

''(B) An existing or proposed organization standard which is disapproved in whole or in part by the Commission shall be remanded to the Electric Reliability Organization for further consideration.

''(C) The Commission, on its own motion or upon complaint, may direct the Electric Reliability Organization to develop an organization standard, including modification to an existing organization standard, addressing a specific matter by a date certain if the Commission considers such new or modified organization standard necessary or appropriate to further the purposes of this section. The Electric Reliability Organization shall file any such new or modified organization standard in accordance with this subsection.

''(D) An affiliated regional reliability entity may propose a variance or entity rule to the Electric Reliability Organization. The affiliated regional reliability entity may request that the Electric Reliability Organization expedite consideration of the proposal, and may file a notice of such request with the Commission, if expedited consideration is necessary to provide for bulk-power system reliability. If the Electric Reliability Organization fails to adopt the variance or entity rule, either in whole or in part, the affiliated regional reliability entity may request that the Commission review such action. If the Commission determines, after its review of such a request, that the action of the Electric Reliability Organization did not conform to the applicable standards and procedures approved by the Commission, or if the Commission determines that the variance or entity rule is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably rejected the proposed variance or entity rule, then the Commission may remand the proposed variance or entity rule for further consideration by the Electric Reliability Organization or may direct the Electric Reliability Organization or the affiliated regional reliability entity to develop a variance or entity rule consistent with that requested by the affiliated regional reliability entity. Any such variance or entity rule proposed by an affiliated regional reliability entity shall be submitted to the Electric Reliability Organization for review and filing with the Commission in accordance with the procedures specified in this subsection.

''(E) Notwithstanding any other provision of this subsection, a proposed organization standard or amendment shall take effect according to its terms if the Electric Reliability Organization determines that an emergency exists requiring that such proposed organization standard or amendment take effect without notice or comment. The Electric Reliability Organization shall notify the Commission immediately following such determination and shall file such emergency organization standard or amendment with the Commission not later than 5 days following such determination and shall include in such filing an explanation of the need for such emergency standard. Subsequently, the Commission shall provide notice of the organization standard or amendment for comment, and shall follow the procedures set out in paragraphs (2) and (3) for review of the new or modified organization standard. Any such organization standard that has gone into effect shall remain in effect unless and until suspended or disapproved by the Commission. If the Commission determines at any time that the emergency organization standard or amendment is not necessary, the Commission may suspend such emergency organization standard or amendment.

''(4) All users of the bulk power system shall comply with any organization standard that takes effect under this section.

''(f) COORDINATION WITH CANADA AND MEXICO.—The Electric Reliability Organization shall take all appropriate steps to gain recognition in Canada and Mexico. The United States shall use its best efforts to enter into international agreements with the appropriate governments of Canada and Mexico to provide for effective compliance with organization standards and to provide for the effectiveness of the Electric Reliability Organization in carrying out its mission and responsibilities. All actions taken by the Electric Reliability Organization, any affiliated regional reliability entity, and the Commission shall be consistent with the provisions of such international agreements.

''(g) CHANGES IN PROCEDURES, GOVERNANCE, OR FUNDING.—

''(1) The Electric Reliability Organization shall file with the Commission any proposed change in its procedures, governance, or funding, or any changes in the affiliated regional reliability entity's procedures, governance, or funding relating to delegated functions, and shall include with the filing an explanation of the basis and purpose for the change.

''(2) A proposed procedural change may take effect 90 days after filing with the Commission if the change constitutes a statement of policy, practice, or interpretation with respect to the meaning or enforcement of an existing procedure. Otherwise, a proposed procedural change shall take effect only upon a finding by the Commission, after notice and opportunity for comments, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (d)(4).

''(3) A change in governance or funding shall not take effect unless the Commission finds that the change is just, reasonable, not unduly discriminatory or preferential, in the public interest, and satisfies the requirements of subsection (d)(4).

''(4) The Commission, upon complaint or upon its own motion, may require the Electric Reliability Organization to amend the procedures, governance, or funding if the Commission determines that the amendment is necessary to meet the requirements of this section. The Electric Reliability Organization shall file the amendment in accordance with paragraph (1) of this subsection.

''(h) DELEGATIONS OF AUTHORITY.—

''(1) The Electric Reliability Organization shall, upon request by an entity, enter into an agreement with such entity for the delegation of authority to implement and enforce compliance with organization standards in a specified geographic area if the organization finds that the entity requesting the delegation satisfies the requirements of subparagraphs (A), (B), (C), (D), (F), (J), and (K) of subsection (d)(4), and if the delegation promotes the effective and efficient implementation and administration of bulk power system reliability. The Electric Reliability Organization may enter into an agreement to delegate to the entity any other authority, except that the Electric Reliability Organization shall reserve the right to set and approve standards for bulk power system reliability.

''(2) The Electric Reliability Organization shall file with the Commission any agreement entered into under this subsection and any information the Commission requires with respect to the affiliated regional reliability entity to which authority is to be delegated. The Commission shall approve the agreement, following public notice and an opportunity for comment, if it finds that the agreement meets the requirements of paragraph (1), and is just, reasonable, not unduly discriminatory or preferential, and is in the public interest. A proposed delegation agreement with an affiliated regional reliability entity organized on an interconnection-wide basis shall be rebuttably presumed by the Commission to promote the effective and efficient implementation and administration of bulk power system reliability. No delegation by the Electric Reliability Organization shall be valid unless approved by the Commission.

''(3)(A) A delegation agreement entered into under this subsection shall specify the procedures for an affiliated regional reliability entity to propose entity rules or variances for review by the Electric Reliability Organization. With respect to any such proposal that would apply on an interconnection-wide basis, the Electric Reliability Organization shall presume such proposal valid if made by an interconnection-wide affiliated regional reliability entity unless the Electric Reliability Organization makes a written finding that the proposal—

''(i) was not developed in a fair and open process that provided an opportunity for all interested parties to participate;

''(ii) has a significant adverse impact on reliability or commerce in other interconnections;

''(iii) fails to provide a level of reliability of the bulk-power system within the interconnection such that it would constitute a serious and substantial threat to public health, safety, welfare, or national security; or

''(iv) creates a serious and substantial burden on competitive markets within the interconnection that is not necessary for reliability.

''(B) With respect to any such proposal that would apply only to part of an interconnection, the Electric Reliability Organization shall find such proposal valid if the affiliated regional reliability entity or entities making the proposal demonstrate that it—

''(i) was developed in a fair and open process that provided an opportunity for all interested parties to participate;

''(ii) would not have an adverse impact on commerce that is not necessary for reliability;

''(iii) provides a level of bulk power system reliability adequate to protect public health, safety, welfare, and national security, and would not have a significant adverse impact on reliability; and

''(iv) in the case of a variance, is based on legitimate differences between regions or between subregions within the affiliated regional reliability entity's geographic area.

The Electric Reliability Organization shall approve or disapprove such proposal within 120 days, or the proposal shall be deemed approved. Following approval of any such proposal under this paragraph, the Electric Reliability Organization shall seek Commission approval pursuant to the procedures prescribed under subsection (e)(3). Affiliated regional reliability entities may not make requests for approval directly to the Commission except pursuant to subsection (e)(3)(D).

''(4) If an affiliated regional reliability entity requests, consistent with paragraph (1) of this subsection, that the Electric Reliability Organization delegate authority to it, but is unable within 180 days to reach agreement with the Electric Reliability Organization with respect to such requested delegation, such entity may seek relief from the Commission. If, following notice and opportunity for comment, the Commission determines that a delegation to the entity would meet the requirements of paragraph (1) above, and that the delegation would be just, reasonable, not unduly discriminatory or

preferential, and in the public interest, and that the Electric Reliability Organization has unreasonably withheld such delegation, the Commission may, by order, direct the Electric Reliability Organization to make such delegation.

''(5)(A) The Commission may, upon its own motion or upon complaint, and with notice to the appropriate affiliated regional reliability entity or entities, direct the Electric Reliability Organization to propose a modification to an agreement entered into under this subsection if the Commission determines that—

''(i) the affiliated regional reliability entity no longer has the capacity to carry out effectively or efficiently its implementation or enforcement responsibilities under that agreement, has failed to meet its obligations under that agreement, or has violated any provision of this section;

''(ii) the rules, practices, or procedures of the affiliated regional reliability entity no longer provide for fair and impartial discharge of its implementation or enforcement responsibilities under the agreement;

''(iii) the geographic boundary of a transmission entity approved by the Commission is not wholly within the boundary of an affiliated regional reliability entity and such difference is inconsistent with the effective and efficient implementation and administration of bulk power system reliability; or

''(iv) the agreement is inconsistent with another delegation agreement as a result of actions taken under paragraph (4) of this subsection.

''(B) Following an order of the Commission issued under subparagraph (A), the Commission may suspend the affected agreement if the Electric Reliability Organization or the affiliated regional reliability entity does not propose an appropriate and timely modification. If the agreement is suspended, the Electric Reliability Organization shall assume the previously delegated responsibilities. The Commission shall allow the Electric Reliability Organization and the affiliated regional reliability entity an opportunity to appeal the suspension.

''(i) ORGANIZATION MEMBERSHIP.—Every system operator shall be required to be a member of the electric Reliability Organization and shall be required also to be a member of any affiliated regional reliability entity operating under an agreement effective pursuant to subsection (h) applicable to the region in which the system operator operates or is responsible for the operation of bulkpower system facilities.

''(j) INJUNCTIONS AND DISCIPLINARY ACTION.—

''(1) Consistent with the range of actions approved by the Commission under subsection (d)(4)(H), the Electric Reliability Organization may impose a penalty, limitation of activities, functions, operations, or other disciplinary action the Electric Reliability Organization finds appropriate against a user of the bulk power system if the Electric Reliability Organization, after notice and an opportunity for interested parties to be heard, issues a finding in writing that the user of the bulk-power system has violated an organization standard. The Electric Reliability Organization shall immediately notify the Commission of any disciplinary action imposed with respect to an act or failure to act of a user of the bulk-power system that affected or threatened to affect bulk power system facilities located in the United States, and the sanctioned party shall have the right to seek modification or rescission of such disciplinary action by the Commission. If the organization finds it necessary to prevent a serious threat to reliability, the organization may seek injunctive relief in a Federal court in the district in which the affected facilities are located.

''(2) A disciplinary action taken under paragraph (1) may take effect not earlier than the 30th day after the Electric Reliability Organization files with the Commission its written finding and record of proceedings before the Electric Reliability Organization and the Commission posts its written finding, unless the Commission, on its own motion or upon application by the user of the bulk power system which is the subject of the action, suspends the action. The action shall remain in effect or remain suspended unless and until the Commission, after notice and opportunity for hearing, affirms, sets aside, modifies, or reinstates the action, but the Commission shall conduct such hearing under procedures established to ensure expedited consideration of the action taken.

''(3) The Commission, on its own motion or on complaint, may order compliance with an organization standard and may impose a penalty, limitation of activities, functions, or operations, or take such other disciplinary action as the Commission finds appropriate, against a user of the bulk power system with respect to actions affecting or threatening to affect bulk power system facilities located in the United States if the Commission finds, after notice and opportunity for a hearing, that the user of the bulk power system has violated or threatens to violate an organization standard.

''(4) The Commission may take such action as is necessary against the Electric Reliability Organization or an affiliated regional reliability entity to ensure compliance with an organization standard, or any Commission order affecting the Electric Reliability Organization or an affiliated regional reliability entity.

''(k) RELIABILITY REPORTS.—The Electric Reliability Organization shall conduct periodic assessments of the reliability and adequacy of the interconnected bulk power system in North America and shall report annually to the Secretary of Energy and the Commission its findings and recommendations for monitoring or improving system reliability and adequacy.

''(l) ASSESSMENT AND RECOVERY OF CERTAIN COSTS.—The reasonable costs of the Electric Reliability Organization, and the reasonable costs of each affiliated regional reliability entity that are related to implementation and enforcement of organization standards or other requirements contained in a delegation agreement approved under subsection (h), shall be assessed by the Electric Reliability Organization and each affiliated regional reliability entity, respectively, taking into account the relationship of costs to each region and based on an allocation that reflects an equitable sharing of the costs among all end users. The Commission shall provide by rule for the review of such costs and allocations, pursuant to the standards in this subsection and subsection (d)(4)(F).

''(m) SAVINGS PROVISIONS.—

''(1) The Electric Reliability Organization shall have authority to develop, implement and enforce compliance with standards for the reliable operation of only the bulk power system.

''(2) This section does not provide the Electric Reliability Organization or the Commission with the authority to set and enforce compliance with standards for adequacy or safety of electric facilities or services.

''(3) Nothing in this section shall be construed to preempt any authority of any State to take action to ensure the safety, adequacy, and reliability of electric service within that State, as long as such action is not inconsistent with any Organization Standard.

''(4) Within 90 days of the application of the Electric Reliability Organization or other affected party, the Commission shall issue a final order determining whether a State action is inconsistent with an Organization Standard, after notice and opportunity for comment, taking into consideration any recommendations of the Electric Reliability Organization.

''(5) The Commission, after consultation with the Electric Reliability Organization, may stay the effectiveness of any state action, pending the Commission's issuance of a final order.

''(n) REGIONAL ADVISORY BODIES.—The Commission shall establish a regional advisory body on the petition of at least ⅔ of the States within a region that have more than one-half of their electric loan served within the region. A regional advisory body shall be composed of 1 member from each participating State in the region, appointed by the Governor of each State, and may include representatives of agencies, States, and provinces outside the United States, upon execution of an international agreement or agreements described in subsection (f). A regional advisory body may provide advice to the electric reliability organization, an affiliated regional reliability entity, or the Commission regarding the governance of an existing or proposed affiliated regional reliability entity within the same region, whether an organization standard, entity rule, or variance proposed to apply within the region is just, reasonable, not unduly discriminatory or preferential, and in the public interest, and whether fees proposed to be assessed within the region are just, reasonable, not unduly discriminatory or preferential, in the public interest, and consistent with the requirements of subsection (l). The Commission may give deference to the advice of any such regional advisory body if that body is organized on an interconnection-wide basis.

''(o) COORDINATION WITH REGIONAL TRANSMISSION ORGANIZATIONS.—

''(1) Each regional transmission organization authorized by the Commission shall be responsible for maintaining the short-term reliability of the bulk power system that it operates, consistent with organization standards.

''(2) Except as provided in paragraph (5), in connection with a proceeding under subsection (e) to consider a proposed organization standard, each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding whether the proposed organization standard hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. Where such hindrance or conflict is identified, the Commission shall address such hindrance or conflict, and the need for any changes to such rule, order, tariff, rate schedule, or agreement accepted, approved or ordered by the Commission in its order under subsection (e) regarding the proposed standard. Where such hindrance or conflict is identified between a proposed organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional transmission organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a change and the change becomes effective. If the Commission finds that the tariff, rate schedule, or agreement needs

to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that the proposed organization standard needs to be changed, it shall remand the proposed organization standard to the electric reliability organization under subsection (e)(3)(B).

''(3) Except as provided in paragraph (5), to the extent hindrances and conflicts arise after approval of a reliability standard under subsection (c) or organization standard under subsection (e), each regional transmission organization authorized by the Commission shall report to the Commission, and notify the electric reliability organization and any applicable affiliated regional reliability entity, regarding any reliability standard approved under subsection (c) or organization standard that hinders or conflicts with that regional transmission organization's ability to fulfill the requirements of any rule, regulation, order tariff, rate schedule, or agreement accepted, approved or ordered by the Commission. The Commission shall seek to ensure that such hindrances or conflicts are resolved promptly. Where a hindrance or conflict is identified between a reliability standard or an organization standard and a provision of any rule, order, tariff, rate schedule or agreement accepted, approved or ordered by the Commission applicable to a regional reliability organization, nothing in this section shall require a change in the regional transmission organization's obligation to comply with such provision unless the Commission orders such a change and the change becomes effective. If the Commission finds that the tariff, rate schedule or agreement needs to be changed, the regional transmission organization must expeditiously make a section 205 filing to reflect the change. If the Commission finds that an organization standard needs to be changed, it shall order the electric reliability organization to develop and submit a modified organization standard under subsection (e)(3)(C).

''(4) An affiliated regional reliability entity and a regional transmission organization operating in the same geographic area shall cooperate to avoid conflicts between implementation and enforcement of organization standards by the affiliated regional reliability entity and implementation and enforcement by the regional transmission organization of tariffs, rate schedules, and agreements accepted, approved or ordered by the Commission. In areas without an affiliated regional reliability entity, the electric reliability organization shall act as the affiliated regional reliability entity for purposes of this paragraph.

''(5) Until 180 days after approval of applicable subsection (h)(3) procedures, any reliability standard, guidance, or practice contained in Commission-accepted tariffs, rate schedules, or agreements in effect of any Commission-authorized independent system operator or regional transmission organization shall continue to apply unless the Commission accepts an amendment thereto by the applicable operator or organization, or upon complaint finds them to be unjust, unreasonable, unduly discriminatory or preferential, or not in the public interest. At the conclusion of such transition period, any such reliability standard, guidance, practice, or amendment thereto that the Commission determines is inconsistent with organization standards shall no longer apply.''.

(2) ENFORCEMENT.—Sections 316 and 316A of the Federal Power Act (16 U.S.C. 825o, 825o–1) are amended by striking ''or 214'' each place it appears and inserting ''214, or 215''.

(b) APPLICATION OF ANTITRUST LAWS.—Notwithstanding any other provision of law, each of the following activities are rebuttably presumed to be in compliance with the antitrust laws of the United States:

(1) Activities undertaken by the Electric Reliability Organization under section 215 of the Federal Power Act or affiliated regional reliability entity operating under an agreement in effect under section 215(h) of such Act.

(2) Activities of a member of the Electric Reliability Organization or affiliated regional reliability entity in pursuit of organization objectives under section 215 of the Federal Power Act undertaken in good faith under the rules of the organization.

Primary jurisdiction, and immunities and other affirmative defenses, shall be available to the extent otherwise applicable.

Subtitle B—PURPA Mandatory Purchase and Sale Requirements

SEC. 4803. PURPA MANDATORY PURCHASE AND SALE REQUIREMENTS.

Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a–3) is amended by adding at the end the following:

''(m) TERMINATION OF MANDATORY PURCHASE AND SALE REQUIREMENTS.—

''(1) IN GENERAL.—After the date of enactment of this subsection, no electric utility shall be required to enter into a new contract or obligation to purchase electric energy from, or sell electric energy under this section.

''(2) NO EFFECT ON EXISTING RIGHTS AND REMEDIES.—Nothing in this subsection affects the rights or remedies of any party with respect to the purchase or sale of electric energy or capacity from or to a facility under this section under any contract or obligation to purchase or to sell electric energy or capacity on the date of enactment of this subsection, including—

''(A) the right to recover costs of purchasing such electric energy or capacity; and

''(B) in States without competition for retail electric supply, the obligation of a utility to provide, at just and reasonable rates for consumption by a qualifying small power production facility or a qualifying cogeneration facility, backup, standby, and maintenance power.

''(3) RECOVERY OF COSTS.—

''(A) REGULATION.—To ensure recovery, by an electric utility that purchases electricity or capacity from a qualifying facility pursuant to any legally enforceable obligation entered into or imposed under this section before the date of enactment of this subsection, of all costs associated with the purchases, the Commission shall issue and enforce such regulations as are required to ensure that no electric utility shall be required directly or indirectly to absorb the costs associated with such purchases.

''(B) ENFORCEMENT.—A regulation under subparagraph (A) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act.''.

Subtitle C—Repeal of the Public Utility Holding Company Act of 1935 and Enactment of the Public Utility Holding Company Act of 2001

SEC. 4810. SHORT TITLE.

This subtitle may be cited as the ''Public Utility Holding Company Act of 2001''.

SEC. 4811. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Public Utility Holding Company Act of 1935 was intended to facilitate the work of Federal and State regulators by placing certain constraints on the activities of holding company systems;

(2) developments since 1935, including changes in other regulation and in the electric and gas industries, have called into question the continued relevance of the model of regulation established by that Act;

(3) there is a continuing need for State regulation in order to ensure the rate protection of utility customers; and

(4) limited Federal regulation is necessary to supplement the work of State commissions for the continued rate protection of electric and gas utility customers.

(b) PURPOSES.—The purposes of this title are—

(1) to eliminate unnecessary regulation, yet continue to provide for consumer protection by facilitating existing rate regulatory authority through improved Federal and State commission access to books and records of all companies in a holding company system, to the extent that such information is relevant to rates paid by utility customers, while affording companies the flexibility required to compete in the energy markets; and

(2) to address protection of electric and gas utility customers by providing for Federal and State access to books and records of all companies in a holding company system that are relevant to utility rates.

SEC. 4812. DEFINITIONS.

For the purposes of this subtitle—

(1) the term ''affiliate'' of a company means any company 5 percent or more of the outstanding voting securities of which are owned, controlled, or held with power to vote, directly or indirectly, by such company;

(2) the term ''associate company'' of a company means any company in the same holding company system with such company;

(3) the term ''Commission'' means the Federal Energy Regulatory Commission;

(4) the term ''company'' means a corporation, partnership, association, joint stock company, business trust, or any organized group of persons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing;

(5) the term ''electric utility company'' means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale;

(6) the terms ''exempt wholesale generator'' and ''foreign utility company'' have the same meanings as in sections 32 and 33, respectively, of the Public Utility Holding Company Act of 1935, as those sections existed on the day before the effective date of this Act;

(7) the term ''gas utility company'' means any company that owns or operates facilities used for distribution at retail (other than the distribution only in enclosed portable containers or distribution to tenants or employees of the company operating such facilities for their own use and not for resale) of natural or manufactured gas for heat, light, or power;

(8) the term ''holding company'' means—

(A) any company that directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of a public utility company or of a holding company of any public utility company; and

(B) any person, determined by the Commission, after notice and opportunity for hearing, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with 1 or more persons) such a controlling influence over the management or policies of any public utility company or holding company as to make it necessary or appropriate for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this title upon holding companies;

(9) the term ''holding company system'' means a holding company, together with its subsidiary companies;

(10) the term ''jurisdictional rates'' means rates established by the Commission for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use;

(11) the term ''natural gas company'' means a person engaged in the transportation of natural gas in interstate commerce or the sale of such gas in interstate commerce for resale;

(12) the term ''person'' means an individual or company;

(13) the term ''public utility'' means any person who owns or operates facilities used for transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce;

(14) the term ''public utility company'' means an electric utility company or a gas utility company;

(15) the term ''State commission'' means any commission, board, agency, or officer, by whatever name designated, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies;

(16) the term ''subsidiary company'' of a holding company means—

(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with 1 or more other persons) so as to make it necessary for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this title upon subsidiary companies of holding companies; and

(17) the term ''voting security'' means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a company.

SEC. 4813. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.

The Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.) is repealed, effective 1 year after the date of enactment of this Act.

SEC. 4814. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Each holding company and each associate company thereof shall maintain, and shall make available to the Commission, such books, accounts, memoranda, and other records as the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use.

(b) AFFILIATE COMPANIES.—Each affiliate of a holding company or of any subsidiary company of a holding company shall maintain, and make available to the Commission, such books, accounts, memoranda, and other records with respect to any transaction with another affiliate, as the Commission deems to be relevant to costs incurred by a public utility or natural gas company that is an associate company of such holding company and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(c) HOLDING COMPANY SYSTEMS.—The Commission may examine the books, accounts, memoranda, and other records of any company in a holding company system, or any affiliate thereof, as the Commission deems to be relevant to costs incurred by a public utility or natural gas company within such holding company system and necessary or appropriate for the protection of utility customers with respect to jurisdictional rates.

(d) CONFIDENTIALITY.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his or her knowledge during the course of examination of books, accounts, memoranda, or other records as provided in this section, except as may be directed by the Commission or by a court of competent jurisdiction.

SEC. 4815. STATE ACCESS TO BOOKS AND RECORDS.

(a) IN GENERAL.—Upon the written request of a State commission having jurisdiction to regulate a public utility company in a holding company system, the holding company or any associate company or affiliate thereof, other than such public utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail in a proceeding before the State commission;

(2) the State commission deems are relevant to costs incurred by such public utility company; and

(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) LIMITATION.—Subsection (a) does not apply to any person that is a holding company solely by reason of ownership of 1 or more qualifying facilities under the Public Utility Regulatory Policies Act.

(c) CONFIDENTIALITY OF INFORMATION.—The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

(d) EFFECT ON STATE LAW.—Nothing in this section shall preempt applicable State law concerning the provision of books, records, or any other information, or in any way limit the rights of any State to obtain books, records, or any other information under any other Federal law, contract, or otherwise.

(e) COURT JURISDICTION.—Any United States district court located in the State in which the State commission referred to in subsection (a) is located shall have jurisdiction to enforce compliance with this section.

SEC. 4816. EXEMPTION AUTHORITY.

(a) RULEMAKING.—Not later than 90 days after the effective date of this subtitle, the Commission shall promulgate a final rule to exempt from the requirements of section 4815 any person that is a holding company, solely with respect to 1 or more—

(1) qualifying facilities under the Public Utility Regulatory Policies Act of 1978;

(2) exempt wholesale generators; or

(3) foreign utility companies.

(b) OTHER AUTHORITY.—If, upon application or upon its own motion, the Commission finds that the books, records, accounts, memoranda, and other records of any person are not relevant to the jurisdictional rates of a public utility or natural gas company, or if the Commission finds that any class of transactions is not relevant to the jurisdictional rates of a public utility or natural gas company, the Commission shall exempt such person or transaction from the requirements of section 4815.

SEC. 4817. AFFILIATE TRANSACTION.

Nothing in this subtitle shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public utility company, public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public utility company from an associate company.

SEC. 4818. APPLICABILITY.

No provision of this subtitle shall apply to, or be deemed to include—

(1) the United States;

(2) a State or any political subdivision of a State;

(3) any foreign governmental authority not operating in the United States;

(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or

(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), or (3) acting as such in the course of his or her official duty.

SEC. 4819. EFFECT ON OTHER REGULATIONS.

Nothing in this subtitle precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect utility customers.

SEC. 4820. ENFORCEMENT.

The Commission shall have the same powers as set forth in sections 306 through 317 of the Federal Power Act (16 U.S.C. 825d–825p) to enforce the provisions of this subtitle.

SEC. 4821. SAVINGS PROVISIONS.

(a) IN GENERAL.—Nothing in this subtitle prohibits a person from engaging in or continuing to engage in activities or transactions in which it is legally engaged or authorized to engage on the effective date of this subtitle.

(b) EFFECT ON OTHER COMMISSION AUTHORITY.—Nothing in this subtitle limits the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) (including section 301 of that Act) or the Natural Gas Act (15 U.S.C. 717 et seq.) (including section 8 of that Act).

SEC. 4822. IMPLEMENTATION.

Not later than 180 days after the date of enactment of this subtitle, the Commission shall—

(1) promulgate such regulations as may be necessary or appropriate to implement this title (other than section 4815); and

(2) submit to Congress detailed recommendations on technical and conforming amendments to Federal law necessary to carry out this subtitle and the amendments made by this subtitle.

SEC. 4823. TRANSFER OF RESOURCES.

All books and records that relate primarily to the functions transferred to the Commission under this subtitle shall be transferred from the Securities and Exchange Commission to the Commission.

SEC. 4824. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

SEC. 4825. CONFORMING AMENDMENT TO THE FEDERAL POWER ACT.

Section 318 of the Federal Power Act (16 U.S.C. 825q) is repealed.

Subtitle D—Emission-Free Control Measures Under State Implementation Plans

SEC. 4830. EMISSION-FREE CONTROL MEASURES UNDER A STATE IMPLEMENTATION PLAN.

Actions taken by a State to support the continued operation of existing emission-free electricity sources, or the construction or operation of new emission-free electricity sources, shall be considered control measures necessary or appropriate to meet applicable requirements under section 110(a) of the Clean Air Act (42 U.S.C. 7410(a)) and shall be included in a State Implementation Plan.

TITLE IX—TAX INCENTIVES FOR ENERGY PRODUCTION AND CONSERVATION

SEC. 4901. SENSE OF CONGRESS REGARDING TAX INCENTIVES FOR ENERGY PRODUCTION AND CONSERVATION.

It is the sense of Congress that certain Federal tax incentives including those contained in title IX of S. 389 as introduced in the First Session of the 107th Congress should be enacted into law to encourage energy production and conservation in the United States.

SA 1598. Mr. LEVIN (for himself and Mr. WARNER) proposes an amendment to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; as follows:

At the appropriate place in the bill, add the following:

SEC. . AUTHORIZATION OF ADDITIONAL FUNDS.

(a) AUTHORIZATION.—$1,300,000,000 is hereby authorized, in addition to the funds authorized elsewhere in Division A of this Act, for whichever of the following purposes the President determines to be in the national security interests of the United States—

(1) research, development, test and evaluation for ballistic missile defense; and

(2) activities for combating terrorism.

SA 1599. Mr. LOTT submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . FISCAL YEAR 2003 BUDGET REQUEST FOR THE NAVY FOR SHIPBUILDING AND CONVERSION.

Notwithstanding any other provision of law, the budget for fiscal year 2003 that is submitted to Congress by the President under section 1105(a) of title 31, United States Code, may set forth the amounts for the Navy for fiscal year 2003 for shipbuilding and conversion on an advance appropriations basis for all naval vessels.

SA 1600. Mr. LOTT (for himself, Mr. HUTCHINSON, Mr. COCHRAN, and Mr. STEVENS) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title XXIX, add the following:

SEC. ___. MODIFICATION OF INSTALLATIONS SUBJECT TO CLOSURE OR REALIGNMENT IN 2003 BASE CLOSURE ROUND.

The Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by inserting after section 2902 the following new section:

"SEC. 2902A. INSTALLATIONS SUBJECT TO CLOSURE OR REALIGNMENT IN 2003 BASE CLOSURE ROUND.

"(a) IN GENERAL.—Notwithstanding any other provision of this part, the only installations subject to closure or realignment under this part as a result of activities under this part in 2003 are the following:

"(1) Military installations located outside the United States (as that term is defined in section 2910(7)).

"(2) Notwithstanding section 2910(7), military installations located in the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and any other possession or territory of the United States.

"(3) Research, development, test, and evaluation facilities, whether located in the United States or outside the United States.

"(b) REFERENCE.—For purposes of any activities under this part in 2003, and activities under this part thereafter as a result of the approval of the closure or realignment of military installations under this part in 2003, any reference to military installations in the United States shall be deemed to be a reference to military installations referred to in subsection (a).".

SA 1601. Mr. LOTT (for himself. Mr. BUNNING, Mr. HUTCHINSON, Mr. COCHRAN, Mr. STEVENS, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

Strike title XXIX, relating to defense base closure and realignment.

SA 1602. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 572 and insert the following:

SEC. 572. STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

(1) by striking "Each State" and inserting "(a) IN GENERAL.—Each State"; and

(2) by adding at the end the following:

"(c) STANDARDS FOR INVALIDATION OF CERTAIN BALLOTS.—

"(1) IN GENERAL.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter on the grounds that the ballot was improperly or fraudulently cast unless the State finds clear and convincing evidence of fraud in the preparation or casting of the ballot by the voter.

"(2) CLEAR AND CONVINCING EVIDENCE.—For purposes of this subsection, the lack of a witness signature, address, postmark, or other identifying information may not be considered clear and convincing evidence of fraud (absent any other information or evidence).

"(3) NO EFFECT ON FILING DEADLINES UNDER STATE LAW.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(c) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

In section 577(a), strike "shall carry out" and insert "may carry out".

In section 577(b), strike "the demonstration project" and insert "any demonstration project".

In section 577(c), strike "the demonstration project" and insert "any demonstration project".

At the end of subtitle F of title V, add the following:

SEC. 578. USE OF BUILDINGS ON MILITARY INSTALLATIONS AND RESERVE COMPONENT FACILITIES AS POLLING PLACES.

(a) USE OF MILITARY INSTALLATIONS AUTHORIZED.—Section 2670 of title 10, United States Code, is amended—

(1) by striking "Under" and inserting "(a) USE BY RED CROSS.—Under";

(2) by striking "this section" and inserting "this subsection"; and

(3) by adding at the end the following:

"(b) USE AS POLLING PLACES.—(1) Notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title), the Secretary of a military department may make a building located on a military installation under the jurisdiction of the Secretary available for use as a polling place in any Federal, State, or local election for public office.

"(2) Once a military installation is made available as the site of a polling place with respect to a Federal, State, or local election for public office, the Secretary shall continue to make the site available for subsequent elections for public office unless the Secretary provides to Congress advance notice in a reasonable and timely manner of the reasons why the site will no longer be made available as a polling place.

"(3) In this section, the term 'military installation' has the meaning given the term in section 2687(e) of this title.".

(b) USE OF RESERVE COMPONENT FACILITIES.—(1) Section 18235 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) Pursuant to a lease or other agreement under subsection (a)(2), the Secretary may make a facility covered by subsection (a) available for use as a polling place in any Federal, State, or local election for public office notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title). Once a facility is made available as the site

of a polling place with respect to an election for public office, the Secretary shall continue to make the facility available for subsequent elections for public office unless the Secretary provides to Congress advance notice in a reasonable and timely manner of the reasons why the facility will no longer be made available as a polling place.''.

(2) Section 18236 of such title is amended by adding at the end the following:

''(e) Pursuant to a lease or other agreement under subsection (c)(1), a State may make a facility covered by subsection (c) available for use as a polling place in any Federal, State, or local election for public office notwithstanding chapter 29 of title 18 (including sections 592 and 593 of such title).''.

(c) CONFORMING AMENDMENTS TO TITLE 18.—(1) Section 592 of title 18, United States Code, is amended by adding at the end the following:

''This section shall not prohibit the use of buildings located on military installations, or the use of reserve component facilities, as polling places in Federal, State, and local elections for public office in accordance with section 2670(b), 18235, or 18236 of title 10.''.

(2) Section 593 of such title is amended by adding at the end the following:

''This section shall not prohibit the use of buildings located on military installations, or the use of reserve component facilities, as polling places in Federal, State, and local elections for public office in accordance with section 2670(b), 18235, or 18236 of title 10.''.

(d) CONFORMING AMENDMENT TO VOTING RIGHTS LAW.—Section 2003 of the Revised Statutes (42 U.S.C. 1972) is amended by adding at the end the following: ''Making a military installation or reserve component facility available as a polling place in a Federal, State, or local election for public office in accordance with section 2670(b), 18235, or 18236 of title 10, United States Code, shall be deemed to be consistent with this section.''.

(e) CLERICAL AMENDMENTS.—(1) The heading of section 2670 of title 10, United States Code, is amended to read as follows:

''§ 2670. Buildings on military installations: use by American National Red Cross and as polling places in Federal, State, and local elections''.

(2) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

''2670. Buildings on military installations: use by American National Red Cross and as polling places in Federal, State, and local elections.''.

SEC. 579. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) IN GENERAL.—For purposes of voting in any primary, special, general, or runoff election for Federal office (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431)), each State shall, with respect to any recently separated uniformed services voter requesting to vote in the State—

(1) deem the voter to be a resident of the State;

(2) waive any requirement relating to any period of residence or domicile in the State for purposes of registering to vote or voting in that State;

(3) accept and process, with respect to any primary, special, general, or runoff election, any otherwise valid voter registration application from the voter on the day of the election; and

(4) permit the voter to vote in that election.

(b) DEFINITIONS.—In this section:

(1) The term ''State'' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.

(2) The term ''recently separated uniformed services voter'' means any individual that was a uniformed services voter (as defined in subsection (f)(1)(D)) on the date that is 60 days before the date on which the individual seeks to vote and who—

(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status;

(B) is no longer such a voter; and

(C) is otherwise qualified to vote.

SEC. 580. GOVERNORS' REPORTS ON IMPLEMENTATION OF FEDERAL VOTING ASSISTANCE PROGRAM RECOMMENDATIONS.

(a) REPORTS.—Not later than 90 days after the date on which a State receives a legislative recommendation, the State shall submit a report on the status of the implementation of that recommendation to the Presidential designee and to each Member of Congress that represents that State.

(b) PERIOD OF APPLICABILITY.—This section applies with respect to legislative recommendations received by States during the period beginning on the date of enactment of this Act and ending three years after such date.

(c) DEFINITIONS.—In this section:

(1) The term ''legislative recommendation'' means a recommendation of the Presidential designee suggesting a modification in the laws of a State for the purpose of maximizing the access to the polls of absent uniformed services voters and overseas voters, including each recommendation made under section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3).

(2) The term ''Presidential designee'' means the head of the executive department designated under section 101 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff).

SA 1603. Mr. LOTT (for himself and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 303 and insert the following:

SEC. 303. ARMED FORCES RETIREMENT HOME.

(a) AMOUNT FOR FISCAL YEAR 2002.—There is hereby authorized to be appropriated for fiscal year 2002 from the Armed Forces Retirement Home Trust Fund the sum of $71,440,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

(b) AMOUNTS PREVIOUSLY AUTHORIZED.—Of amounts authorized to be appropriated from the Armed Forces Retirement Home Trust Fund for fiscal years before fiscal year 2002 by Acts enacted before the date of the enactment of this Act, amounts shall be available for those fiscal years, to the same extent as is provided in appropriation Acts, for the development and construction of a blended use, multicare facility at the Naval Home and for the acquisition of a parcel of real property adjacent to the Naval Home, consisting of approximately 15 acres, more or less.

SA 1604. Mr. LOTT (for himself and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

On page 346, line 20, insert after ''professional'' the following: ''or a member of the Armed Forces serving on active duty in a grade above major or lieutenant commander''.

SA 1605. Mr. TORRICELLI (for himself, Mr. CARPER, and Mr. CORZINE) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

On page 49, between lines 2 and 3, insert the following:

SEC. 233. LIMITATIONS ON PROCUREMENT OF AMMUNITION AND AMMUNITION PROPELLANT

(a) PROCUREMENT THROUGH MANUFACTURERS IN NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.—Subsection (a) of section 2534 of title 10, United States Code, is amended by adding at the end of the following new paragraph:

''(6) AMMUNITION AND AMMUNITION PROPELLANT.—Conventional ammunition and ammunition propellant used therein.''.

(b) ADDITIONAL REQUIREMENTS FOR PROCUREMENT.—Such section is further amended by adding at the end the following new subsection:

''(j) ADDITIONAL REQUIREMENTS FOR PROCUREMENT OF AMMUNITION AND AMMUNITION PROPELLANT.—(1) In addition to the requirement under subsection (a)(6), the Secretary of Defense shall procure ammunition or ammunition propellant only from manufacturers, whether privately owned or governmentally-owned, meeting the requirements of paragraph (2).

''(2) A manufacturer of ammunition or ammunition propellant meets the requirements of this paragraph if the manufacturer warrants that any subcontractor which furnishes smokeless nitrocellulose to the manufacturer—

''(A) is a part of the national technology and industrial base; and

''(B) was selected to furnish smokeless nitrocellulose through a competition meeting the requirements of paragraph (3).

''(3) The competition of a manufacturer for the furnishing of smokeless nitrocellulose under paragraph (2)(B) shall—

''(A) be open to all other manufacturers of smokeless nitrocellulose in the national technology and industrial base that manufacture the type of smokeless nitrocellulose that is technically appropriate for use in the product to be made by the manufacturer; and

''(B) provide that the winner of the competition may not furnish to the manufacturer an amount of smokeless nitrocellulose in excess of 1.5 times the aggregate amount of smokeless nitrocellulose to be furnished

to the manufacturer by all other participants in the competition.

''(4) This subsection sets forth procurement procedures expressly authorized by statute within the meaning of section 2304(a)(1) of this title.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2001, and shall apply with respect to the procurement of ammunition and ammunition propellant by the Secretary of Defense on or after that date.

SA 1606. Mr. ALLARD (for himself, and Mr. SMITH of New Hamphsire) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title IX, add the following:

Subtitle B—Organization and Management of Space Activities

SEC 911. ESTABLISHMENT OF POSITION OF UNDER SECRETARY OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.

(a) AUTHORITY OF SECRETARY OF DEFENSE TO ESTABLISH POSITION.—Upon the direction of the President, the Secretary of Defense may, subject to subsection (b), establish in the Office of the Secretary of Defense the position of Under Secretary of Defense for Space, Intelligence, and Information. If the position is so established, the Under Secretary of Defense for Space, Intelligence, and Information shall perform duties and exercise powers as set forth under section 137 of title 10, United States Code, as amended by subsection (d).

(b) DEADLINE FOR EXERCISE OF AUTHORITY.—The Secretary may not exercise the authority in subsection (a) after December 31, 2003.

(c) NOTICE OF EXERCISE OF AUTHORITY.—If the authority in subsection (a) is exercised, the Secretary shall immediately notify Congress of the establishment of the position of Under Secretary of Defense for Space, Intelligence, and Information, together with the date on which the position is established.

(d) NATURE OF POSITION.—

(1) IN GENERAL.—Effective as of the date provided for in paragraph (7), chapter 4 of title 10, United States Code, is amended—

(A) by redesignating section 137 as section 139a and by transferring such section (as so redesignated) within such chapter so as to appear after section 139; and

(B) by inserting after section 136 the following new section 137:

''§ 137. Under Secretary of Defense for Space, Intelligence, and Information

''(a) There is an Under Secretary of Defense for Space, Intelligence, and Information, appointed from civilian life by the President, by and with the advice and consent of the Senate.

''(b) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Space, Intelligence, and Information shall perform such duties and exercise such powers relating to the space, intelligence, and information programs and activities of the Department of Defense as the Secretary of Defense may prescribe. The duties and powers prescribed for the Under Secretary shall include the following:

''(1) In coordination with the Under Secretary of Defense for Policy, the establishment of policy on space.

''(2) In coordination with the Under Secretary of Defense for Acquisition, Technology, and Logistics, the acquisition of space systems.

''(3) The deployment and use of space assets.

''(4) The oversight of research, development, acquisition, launch, and operation of space, intelligence, and information assets.

''(5) The coordination of military intelligence activities within the Department.

''(6) The coordination of intelligence activities of the Department and the intelligence community in order to meet the long-term intelligence requirements of the United States.

''(7) The coordination of space activities of the Department with commercial and civilian space activities.

''(c) The Secretary of Defense shall designate the Under Secretary of Defense for Space, Intelligence, and Information as the Chief Information Officer of the Department of Defense under section 3506(a)(2)(B) of title 44.

''(d) The Under Secretary of Defense for Space, Intelligence, and Information takes precedence in the Department of Defense after the Under Secretary of Defense for Personnel and Readiness.''.

(2) ADDITIONAL ASSISTANT SECRETARY OF DEFENSE.—Section 138(a) of that title is amended by striking ''nine Assistant Secretaries of Defense'' and inserting ''ten Assistant Secretaries of Defense''.

(3) DUTIES OF ASSISTANT SECRETARIES OF DEFENSE FOR SPACE, INTELLIGENCE, AND INFORMATION.—Section 138(b) of that title is amended by adding at the end the following new paragraph:

''(7) Two of the Assistant Secretaries shall have as their principal duties supervision of activities relating to space, intelligence, and information. The Assistant Secretaries shall each report to the Under Secretary of Defense for Space, Intelligence, and Information in the performance of such duties.''.

(4) CONFORMING AMENDMENTS.—Section 131(b) of that title is amended—

(A) by redesignating paragraphs (6) through (11) as paragraphs (7) through (12), respectively; and

(B) by inserting after paragraph (5) the following new paragraph (6):

''(6) The Under Secretary of Defense for Space, Intelligence, and Information.''.

(5) PAY LEVELS.—(A) Section 5314 of title 5, United States Code, is amended by inserting after ''Under Secretary of Defense for Personnel and Readiness'' the following:

''Under Secretary of Defense for Space, Intelligence, and Information.''.

(B) Section 5315 of title 5, United States Code, is amended in the item relating to Assistant Secretaries of Defense by striking ''(9)'' and inserting ''(10)''.

(6) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 4 of title 10, United States Code, is amended—

(A) by striking the item relating to section 137 and inserting the following new item:

''137. Under Secretary of Defense for Space, Intelligence, and Information.''; and

(B) by inserting after the item relating to section 139 the following new item:

''139a. Director of Defense Research and Engineering.''.

(7) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as of the date specified in the notification provided by the Secretary of Defense to Congress under subsection (c) of the exercise of the authority in subsection (a).

(e) REPORT.—(1) Not later than 30 days before an exercise of the authority provided in subsection (a), the President shall submit to Congress a report on the proposed organization of the office of the Under Secretary of Defense for Space, Intelligence, and Information.

(2) If the Secretary of Defense has not exercised the authority granted in subsection (a) on the date that is one year after the date of the enactment of this Act, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives on that date a report describing the actions taken by the Secretary to address the problems in the management and organization of the Department of Defense for space activities that are identified by the Commission To Assess United States National Security Space Management and Organization in the report of the Commission submitted under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

SEC. 912. RESPONSIBILITY FOR SPACE PROGRAMS.

(a) IN GENERAL.—Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 134 the following new chapter:

''CHAPTER 135—SPACE PROGRAMS

''Sec.

''2271. Responsibility for space programs.

''§ 2271. Responsibility for space programs

''(a) RESPONSIBILITY OF SECRETARY OF AIR FORCE AS EXECUTIVE AGENT.—The Secretary of the Air Force shall be the executive agent of the Department of Defense for functions of the Department designated by the Secretary of Defense with respect to the following:

''(1) Planning for the acquisition programs, projects, and activities of the Department that relate to space.

''(2) Efficient execution of the programs, projects, and activities.

''(b) RESPONSIBILITY OF UNDER SECRETARY OF AIR FORCE AS ACQUISITION EXECUTIVE.—The Under Secretary of the Air Force shall be the acquisition executive of the Department of the Air Force for the programs, projects, and activities referred to in subsection (a).

''(c) RESPONSIBILITY OF UNDER SECRETARY OF AIR FORCE AS DIRECTOR OF NRO.—The Under Secretary of the Air Force shall act as the Director of the National Reconnaissance Office.

''(d) COORDINATION OF DUTIES OF UNDER SECRETARY OF AIR FORCE.—In carrying out duties under subsections (b) and (c), the Under Secretary of the Air Force shall coordinate the space programs, projects, and activities of the Department of Defense and the programs, projects, and activities of the National Reconnaissance Office.

''(e) SPACE CAREER FIELD.—(1) The Under Secretary of the Air Force shall establish and implement policies and procedures to develop a cadre of technically competent officers with the capability to develop space doctrine, concepts of space operations, and space systems for the Department of the Air Force.

''(2) The Secretary of the Air Force shall assign to the commander of Air Force Space Command primary responsibility for—

''(A) establishing and implementing education and training programs for space programs, projects, and activities of the Department of the Air Force; and

''(B) management of the space career field under paragraph (1).

''(f) JOINT PROGRAM MANAGEMENT.—The Under Secretary of the Air Force shall take appropriate actions to ensure that, to maximum extent practicable, Army, Navy, Marine Corps, and Air Force personnel are assigned, on a joint duty assignment basis, as follows:

''(1) To carry out the space development and acquisition programs of the Department of Defense; and

''(2) To the Office of the National Security Space Architect.''.

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of such subtitle and at the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 134 the following new item:

''135. Space Programs ..... 2271''.

SEC. 913. MAJOR FORCE PROGRAM CATEGORY FOR SPACE PROGRAMS.

(a) REQUIREMENT.—The Secretary of Defense shall create a major force program category for space programs for purposes of the future-years defense program under section 221 of title 10, United States Code.

(b) COMMENCEMENT.—The category created under subsection (a) shall be included in each future-years defense program submitted to Congress under section 221 of title 10, United States Code, in fiscal years after fiscal year 2002.

SEC. 914. ASSESSMENT OF IMPLEMENTATION OF RECOMMENDATIONS OF COMMISSION TO ASSESS UNITED STATES NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION.

(a) COMPTROLLER GENERAL ASSESSMENT.—The Comptroller General shall carry out an assessment of the progress made by the Department of Defense in implementing the recommendations of the Commission To Assess United States National Security Space Management and Organization as contained in the report of the Commission submitted under section 1623 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 815).

(b) REPORTS.—Not later than February 15 of each of 2002 and 2003, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the assessment carried out under subsection (a). Each report shall set forth the results of the assessment as of the date of such report.

SEC. 915. GRADE OF COMMANDER OF AIR FORCE SPACE COMMAND.

(a) IN GENERAL.—Chapter 845 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 8584. Commander of Air Force Space Command

''(a) GRADE.—The officer serving as commander of the Air Force Space Command shall, while so serving, have the grade of general.

''(b) LIMITATION ON CONCURRENT COMMAND ASSIGNMENTS.—The officer serving as commander of the Air Force Space Command may not, while so serving, serve as commander-in-chief of the United States Space Command (or any successor combatant command with responsibility for space) or as commander of the United States element of the North American Air Defense Command.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''8584. Commander of Air Force Space Command.''.

SEC. 916. SENSE OF CONGRESS REGARDING GRADE OF OFFICER ASSIGNED AS COMMANDER OF UNITED STATES SPACE COMMAND.

It is the sense of Congress that the Secretary of Defense should assign the best qualified officer of the Army, Marine Corps, or Air Force with the grade of general, or of the Navy with the grade of admiral, to the position of Commander of the United States Space Command.

SA 1607. Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle B of title II, add the following:

SEC. . BIG CROW PROGRAM AND DEFENSE SYSTEMS EVALUATION PROGRAM.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, is hereby increased by $15,100,000, with the amount of the increase to be available for operational test and evaluation (PE605118D).

(b) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated by section 201(4), as increased by subsection (a)—

(1) $12,000,000 shall be available for the Big Crow program; and

(2) $3,100,000 shall be available for the Defense Systems Evaluation (DSE) program.

(c) OFFSET.—The amount authorized to be appropriated by this division, other than the amount authorized to be appropriated by subsection (a), is hereby reduced by $15,100,000, which represents savings resulting from adjustments to foreign currency exchange rates.

SA 1608. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title III, add the following:

SEC. 306. CLARA BARTON CENTER FOR DOMESTIC PREPAREDNESS, ARKANSAS.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS FOR OPERATION AND MAINTENANCE, DEFENSE-WIDE.—The amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities is hereby increased by $1,800,000.

(b) AVAILABILITY OF FUNDS.—(1) Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, as increased by subsection (a), $1,800,000 shall be available for the Clara Barton Center for Domestic Preparedness, Arkansas.

(2) The amount made available by paragraph (1) for the Clara Barton Center for Domestic Preparedness is in addition to any other amounts made available by this Act for the Clara Barton Center for Domestic Preparedness.

SA 1609. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title III, add the following:

SEC. 335. PILOT PROGRAM FOR EFFICIENT INVENTORY MANAGEMENT SYSTEM FOR THE DEPARTMENT OF DEFENSE.

(a) PILOT PROGRAM.—(1) The Secretary of Defense shall, using amounts available under subsection (c), carry out a pilot program for the development and operation of an efficient inventory management system for the Department of Defense. The pilot program shall be designed to address the problems in the inventory management system of the Department that were identified by the Comptroller General of the United States as a result of the General Accounting Office audit of the inventory management system of the Department in 1997.

(2) In entering into any contract for purposes of the pilot program, the Secretary shall take into appropriate account current Department contract goals for small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the pilot program under subsection (a). The report shall describe the pilot program, assess the progress of the pilot program, and contain such recommendations at the Secretary considers appropriate regarding expansion or extension of the pilot program.

(c) FUNDING.—(1) The amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities is hereby increased by $1,000,000.

(2) Of the amount authorized to be appropriated by section 301(5) for operation and maintenance for Defense-wide activities, as increased by paragraph (1), $1,000,000 shall be available for the pilot program under subsection (a).

SA 1610. Mr. SANTORUM submitted an amendment intented to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle D of title III, add the following:

SEC. 335. FUNDING FOR LAND FORCES READINESS-INFORMATION OPERATIONS SUSTAINMENT.

Of the amount authorized to be appropriated by section 301(6), $5,000,000 shall be available for land forces readiness-information operations sustainment.

SA 1611. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year

for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

On page 22, line 22, increase the amount by $1,000,000.

On page 22, line 21, reduce the amount by $1,000,000.

SA 1612. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

Strike title XXIX and insert the following:

TITLE XXIX—COMMISSION ON DEPARTMENT OF DEFENSE INFRASTRUCTURE

SEC. 2901. COMMISSION ON THE DEPARTMENT OF DEFENSE INFRASTRUCTURE.

(a) ESTABLISHMENT.—There is established a commission to be known as the ''Commission on the Department of Defense Infrastructure'' (in this section referred to as the ''Commission'').

(b) MEMBERSHIP.—(1) The Commission shall be composed of 13 members who shall be appointed, not later than 90 days after the date of the enactment of this Act, as follows:

(A) Seven members appointed by the President in consultation with the Secretary of Defense, including at least one member appointed from each of the Army, Navy, Air Force, and Marine Corps.

(B) Two members appointed by the Speaker of the House of Representatives.

(C) Two members appointed by the Majority Leader of the Senate.

(D) One member appointed by the Minority Leader of the House of Representatives.

(E) One member appointed by the Minority Leader of the Senate.

(2) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(3) The President shall designate one member of the Commission to serve as the Chairman.

(4) The Commission shall meet at the call of the Chairman. A majority of the members shall constitute a quorum, but a lesser number may hold hearings for the Commission.

(c) DUTIES.—The Commission—

(1) shall evaluate the infrastructure of the Department of Defense inside and outside the United States, including the use of the infrastructure, in relationship to the requirements of the Department of Defense;

(2) shall develop a plan of actions that the Commission recommends for rationalizing and maximizing the use of the facilities of the Department of Defense and other elements of the infrastructure;

(3) if the Commission finds that the infrastructure is excess to the requirements of the Department of Defense, shall develop a recommended plan of actions for reducing the excess, which may include closure or realignment of installations and other facilities, basing of forces or workforces in urban areas, privatization of the operation of facilities, increasing the use of leasing, and any other actions determined appropriate by the Commission; and

(4) shall develop a recommended analytical process for evaluating the infrastructure of the Department of Defense on the basis of the factors described in subsection (d).

(d) CONSIDERATIONS.—In evaluating infrastructure and developing a plan or plans under subsection (c), the Commission shall take into consideration the following factors:

(1) Present and future force structure and mission requirements through 2020, consistent with the Joint Vision 2020 issued by the Joint Chiefs of Staff, including—

(A) mobilization requirements; and

(B) requirements for utilization of facilities by the Department of Defense and other departments and agencies of the United States, including—

(i) joint use by two or more of the Armed Forces; and

(ii) use by reserve components.

(2) The availability and condition of facilities, land, and associated airspace, including—

(A) proximity to mobilization points, including points of embarkation for air or rail transportation and ports;

(B) current, planned, and programmed military construction.

(3) Ranges and airspace factors, including—

(A) uniqueness; and

(B) existing or potential electromagnetic or other encroachment.

(4) Force protection.

(5) Anticipated costs and effects of relocating critical infrastructure in the case of a base closure or realignment, including—

(A) associated military construction costs at receiving installations and facilities;

(B) associated environmental costs, including costs of compliance with Federal and State environmental laws;

(C) termination costs and other liabilities relating to existing contracts and transactions that involve outsourcing or privatization of services, housing, or utilities used by the Department of Defense;

(D) impact on co-located organizations of the Department of Defense;

(E) impact on co-located Federal agencies; and

(F) costs of civilian personnel transfers and relocations and other workforce implications.

(6) Community support of military presence, including—

(A) opportunities for public and private partnerships in support of Department of Defense activities; and

(B) economic effects and other effects of base closures and realignments on local communities.

(7) Lessons learned from previous base closures and realignments, including those regarding disparities between anticipated savings and actual savings.

(8) Anticipated savings and other benefits of realigning or closing a base or facility, including—

(A) any enhancement of capabilities to make better use of remaining infrastructure; and

(B) ability to relocate units and other assets.

(9) Any other factors that the Commission considers significant.

(e) REPORT.—(1) Not later than 270 days after the date of the enactment of this Act, the Commission shall submit a report on its activities to the President and Congress.

(2) The report shall include the following:

(A) The Commission's findings and conclusions.

(B) The plan or plans of recommended actions developed under subsection (c).

(C) The recommended analytical process developed under subsection (c)(4).

(f) ADMINISTRATIVE REQUIREMENTS AND AUTHORITIES.—(1) The Secretary of Defense shall ensure that the Commission is provided such administrative services, facilities, staff, and other support services as may be necessary to carry out its duties.

(2) The Commission may hold hearings, sit and act at times and places, take testimony, and receive evidence that the Commission considers necessary to carry out the purposes of this Act.

(3) The Commission may request directly from any department or agency of the Federal Government any information that the Commission considers necessary to carry out the provisions of this section. To the extent consistent with applicable requirements of law and regulation, the head of such department or agency shall furnish such information to the Commission.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(g) COMMISSION PERSONNEL MATTERS.—(1) Members of the Commission shall serve without additional compensation for their service on the Commission, except that members appointed from among private citizens may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service under subchapter I of chapter 57 of title 5, United States Code, while away from their homes and places of business in the performance of services for the Commission.

(2) The Chairman of the Commission may appoint staff, request the detail of Federal employees, and accept temporary or intermittent services in accordance with subchapter IV of chapter 31 of title 5, United States Code.

(h) TERMINATION.—The Commission shall terminate 30 days after the submission of the report under subsection (e).

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for the Commission, $5,000,000, to remain available until expended.

SA 1613. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title X, add the following:

SEC. 1009. ADDITIONAL FUNDS FOR UNFUNDED PRIORITIES OF THE ARMED FORCES.

(a) INCREASE IN AMOUNT AUTHORIZED FOR ARMED FORCES.—The aggregate amount authorized to be appropriated by this division is hereby increased by $1,778,000,000, with the amount of such increase to be allocated in equal portions among the Army, Navy, Marine Corps, and Air Force, and available to meet the unfunded requirements of each Armed Force in accordance with the priority list of such Armed Force.

(b) DECREASE IN AMOUNT AUTHORIZED FOR DEPARTMENT OF ENERGY.—The aggregate amount authorized to be appropriated by title XXXI is hereby reduced by $1,778,000,000.

SA 1614. Mr. SMITH of New Hampshire submitted an amendment intended to be proposed by him to the bill S. 1438, to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military constructions, and for defense

activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. UNITED STATES-CHINA MILITARY-TO-MILITARY EXCHANGES.

(a) INSTRUCTION IN THE LAW OF WAR AND THE HAGUE AND GENEVA CONVENTIONS.—United States-China military-to-military exchanges shall include instruction in the following for PLA officers participating in the exchanges:

(1) The principles, spirit, and intent of the 1907 Hague and 1949 Geneva Conventions.

(2) The law of war prohibiting unnecessary destruction.

(3) The law of war requiring humane treatment of prisoners of war (POWs), other captured and detained personnel, and civilians.

(4) The obligation not to commit war crimes.

(5) The obligation to report all violators of the law of war.

(6) The significant provisions of the Geneva Convention Relative to the Treatment of Prisoners of War, done on August 12, 1949.

(7) Full exposure to the Uniform Code of Military Justice (UCMJ) and the Soldier's Handbook.

(b) HUMAN RIGHTS VIOLATIONS BY CHINA.—None of the funds made available by this Act for military-to-military exchanges may be provided to any officers of the security forces of the People's Republic of China if the Secretary of State has credible evidence that such officers have committed gross violations of human rights, unless the Secretary determines and reports to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives that the Government of the People's Republic of China is taking effective measures to bring the responsible members of the security forces to justice.

(c) HUMAN RIGHTS VIOLATIONS BY OTHER FOREIGN COUNTRIES.—None of the funds made available by this Act may be used to support any exchange program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that a member of such unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(d) WAIVER.—The Secretary of Defense may waive the provisions of this section if he determines that extraordinary circumstances require it. Within 15 days of issuing such a waiver, the Secretary shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the exchange program, the United States forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

SA 1615. Mr. REID (for Mr. SARBANES (for himself and Mr. GRAMM)) proposed an amendment to the bill H.R. 2510, to extend the expiration date of the Defense Production Act of 1950, and for other purposes; as follows:

On page 2, strike lines 9 through 14 and insert the following: ''2002''.

''SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

''Section 711(b) of the Defense Production Act of 1950 (50 U.S.C. App. 2161(b)) is amended by striking '2001' and inserting '2002'.''

SA 1616. Mr. REID (for Mr. HOLLINGS (for himself and Mr. GREGG)) proposed an amendment to the bill H.R. 2500, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

Strike section 404 of the Senate amendment.

NOTICE OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a closed hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, September 26, at 9:30 a.m., in location to be announced.

The purpose of the hearing is to receive testimony on critical energy infrastructure security and the energy industry's response to the events of September 11, 2001.

Those wishing to submit written statements on this subject should address them to the Committee on Energy and Natural Resources, Attn: Deborah Estes, U.S. Senate, Washington, DC 20510.

For further information, please call Deborah Estes at 202/224–5360.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. LEVIN Mr. President, I ask unanimous consent that the Committee on Armed Services be Authorized to meet during the session of the Senate on Friday, September 21, 2001, at 8:30 a.m., in closed session to receive a briefing on current Department of Defense activities.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. LEVIN. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet on Friday, September 21, 2001, at 9 a.m., to conduct a hearing on following pending nominations: Brigadier General Edwin J. Arnold, Jr. to be a Member and President of the Mississippi River Commission; Nils J. Diaz to be a Member of the Nuclear Regulatory Commission; Marianne Lamont Horinko to be Assistant Administrator, Office of Solid Waste, Environmental Protection Agency; Patrick Hayes Johnson to be Federal Cochairperson, Delta Regional Authority; Paul Michael Parker to be Assistant Secretary of the Army for Civil Works, Department of Defense; Mary E. Peters to be Administrator of the Federal Highway Administration, Department of Transportation; Harold Craig Manson to be Assistant Secretary for Fish and Wildlife, Department of the Interior; and Brigadier General Carl A. Strock to be a Member of the Mississippi River Commission.

The hearing will be held in the Rm. SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, September 21, 2001, at 12 p.m., to hold a nomination hearing.

Nominees: The Honorable Arlene Render, of Virginia, to be Ambassador to the Republic of Cote d'Ivoire; Ms. Mattie Sharpless, of North Carolina, to be Ambassador to the Central African Republic; Mr. R. Barrie Walkley, of California, to be Ambassador to the Republic of Guinea; Mr. Jackson McDonald, of Florida, to be Ambassador to the Republic of The Gambia; Mr. Kevin McGuire, of Maryland, to be Ambassador to the Republic of Namibia; Mr. Ralph Boyce, Jr., of Virginia, to be Ambassador to the Republic of Indonesia; and Mr. Robert Jordan, of Texas, to be Ambassador to the Kingdom of Saudi Arabia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. LEVIN. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Friday, September 21, 2001, at 9:30 a.m., for a hearing entitled ''Responding to Homeland Threats: Is Our Government Organized for the Challenge?''

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. WARNER. Mr. President, I ask unanimous consent that Jimmie Keenan and Ray Ivie, fellows on the staff of Senator Hutchison, be granted the privilege of the floor for the duration of today's debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLELAND. Mr. President, I ask unanimous consent that privileges of the floor be granted to my staff, Steve Tryon, during the discussion of this Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2002

On September 19, 2001, the Senate amended and passed H.R. 2590, as follows:

Resolved, That the bill from the House of Representatives (H.R. 2590) entitled ''An Act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2002, and for other