(Mr. COCHRAN) was added as a cosponsor of S. 2566, a bill to provide for coordination of proliferation interdiction activities and conventional arms disarmament, and for other purposes.

S. 2652

At the request of Mrs. FEINSTEIN, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of S. 2652, a bill to amend chapter 27 of title 18, United States code, to prohibit the unauthorized construction, financing, or, with reckless disregard, permitting the construction or use on one's land, of a tunnel or subterranean passageway between the United States and another country.

S. 2653

At the request of Mr. STEVENS, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 2653, a bill to direct the Federal Communications Commission to make efforts to reduce telephone rates for Armed Forces personnel deployed overseas.

S. 2697

At the request of Mr. LUGAR, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 2697, a bill to establish the position of the United States Ambassador for ASEAN.

S. 2703

At the request of Mr. LEAHY, the names of the Senator from Florida (Mr. NELSON) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 2703, a bill to amend the Voting Rights Act of 1965.

At the request of Mr. KENNEDY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2703, supra.

AMENDMENT NO. 3704

At the request of Mr. INHOFE, his name was added as a cosponsor of amendment No. 3704 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3717

At the request of Mr. BIDEN, the names of the Senator from Minnesota (Mr. COLEMAN) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of amendment No. 3717 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3718

At the request of Mr. BIDEN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of amendment No. 3718 intended to be proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3728

At the request of Mr. INHOFE, his name was added as a cosponsor of amendment No. 3728 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

At the request of Mr. JEFFORDS, his name was added as a cosponsor of amendment No. 3728 proposed to H.R. 4939, supra.

AMENDMENT NO. 3729

At the request of Mr. REED, his name was added as a cosponsor of amendment No. 3729 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3732

At the request of Mr. BAUCUS, the names of the Senator from Iowa (Mr. HARKIN), the Senator from Illinois (Mr. DURBIN) and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of amendment No. 3732 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3761

At the request of Mr. COCHRAN, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of amendment No. 3761 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 3851

At the request of Ms. LANDRIEU, the names of the Senator from Louisiana (Mr. VITTER) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of amendment No. 3851 proposed to H.R. 4939, a bill making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ENSIGN:

S. 2718. A bill to require full disclosure by entities receiving Federal funds, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. ENSIGN. Mr. President, the American taxpayers are fed up. They are tired of the pork projects and the billions of dollars being spent on unaccountable, unnecessary, and wasteful Federal spending. Whether spending is a result of earmarks, or the often unsupervised process of Federal agencies awarding grants, spending is out of control.

Americans work hard every day, and they struggle to meet the heavy tax burden that Washington imposes on them. Despite their struggle and sacrifice, Washington has failed to ensure that Americans' tax dollars are being spent wisely. The American public believes, and they are right, that Congress has lost sight of the fact that every dollar we spend here in Washington belongs to them. These are dollars that could have been spent by the people who earned them to care for their own families.

The American taxpayers have had enough. They are frustrated and disgusted. And I join them in their frustration and disgust. Congress has not done a very good job of oversight. It is time for Congress to empower the American people so that government is more accountable to them. That is why I am introducing new legislation—the Website for American Taxpayers to Check and Help Deter Out-of-control Government Spending—or the WATCHDOG Act.

This bill will give our constituents the tools they need to become citizen watchdogs. Americans will be able to see for themselves how their tax dollars are being spent. This bill will greatly improve transparency and help eliminate wasteful, fraudulent, duplicative, and unnecessary spending. It will give the American people the tools to monitor how Congress uses the earmarks process and how the bureaucrats, who spend billions of dollars a year in unsupervised grants, spend their tax dollars.

Americans are aggravated because too often when they learn about wasteful spending it is too late for them to do anything about it. They learn about spending by reading their morning papers after the legislation has been signed into law or the grant money has been awarded. Sometimes that is how members of Congress learn about them as well. It's time to remove the cloak of secrecy that surrounds the earmarking and grantmaking processes. We need to shine a very bright light on how spending decisions are made.

In this case, that bright light will be a publicly searchable online database that provides information on every organization receiving Federal funds. The Office of Management and Budget would be required to make all Federal grant and loan recipient data available to the public.

The data must include information on Federal grant awards, including an itemized breakdown by agency and program. The database must also list all subgrantees of an organization that receives Federal funds. This bill also reforms and streamlines the grant process by requiring organizations that apply for Federal funding to use a single source application number, which they would use for requesting funding from any Federal agency.

Those projects that are using Federal funds efficiently and with positive results will become obvious, and those programs that are duplicative, fail to show results, squander their funding, or act fraudulently will also become obvious.

Here in Washington we have done a dismal job when it comes to cutting out unnecessary spending. By shining a light on this process, the American public will have a chance to help us eliminate billions of dollars in wasteful

Federal funding. We owe it to the taxpayers and to future generations to clean up our act. This legislation gives taxpayers an important tool to hold Congress' feet to the fire.

By Mr. NELSON of Florida:

S. 2719. A bill to designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the ''Earl D. Hutto Post Office Building''; to the Committee on Homeland Security and Governmental Affairs.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that this bill ''To designate the facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, as the 'Earl D. Hutto Post office Building' '' be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2719

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EARL D. HUTTO POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1400 West Jordan Street in Pensacola, Florida, shall be known and designated as the ''Earl D. Hutto Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the ''Earl D. Hutto Post Office Building''.

By Mr. BAUCUS:

S. 2720. A bill to amend the Internal Revenue Code of 1986 to provide incentives to improve America's research competitiveness, and for other purposes; to the Committee on Finance.

Mr. BAUCUS. Mr. President, on October 4, 1957, an object the size of a basketball shot into space. And history changed.

The Soviet Union had launched Sputnik. And Americans reacted with fear. That fear quickly turned to determination to win the race to space.

Just one month later, the Russians launched Sputnik II with one precious passenger: a Russian mutt named Laika. Laika became the first living being to orbit earth. Today, a dog in space might seem like a good start for a Disney film. But in 1957, American scientists worried that these events foreshadowed Soviet military and strategic advantage.

By the following summer, Congress had created NASA. Sputnik's launch had provided the catalyst. For years before, scientific organizations and even the White House had declared the exploration of space as a priority. It took Sputnik to move us to action.

Half a century later, we find ourselves waiting for the next Sputnik. Report after report has outlined the risk that America runs by not doing more in research and education. A recent report entitled ''Waiting for Sputnik'' cautions that our workforce must include a greater percentage of ''knowledge workers''—including scientists and engineers—if we are to maintain our technological lead in defense capabilities. And another recent report, ''Rising Above the Gathering Storm,'' expresses fear that America's lead in science and technology can be abruptly lost and difficult or impossible to regain.

What these reports and others are telling us is one thing: We cannot wait for the next Sputnik. We must recognize that our advantage is fleeting. We must begin today with more science, more education, and more commitment to research to prepare for the future.

Asia has recognized this. Asia is plowing more funding into science and education. China, in particular, understands that technological advancement means security, independence, and economic growth. Spending on research and development has increased by 140 percent in China, Korea and Taiwan. In America, it has increased by only 34 percent.

Asia's commitment is already paying off. More than a hundred Fortune 500 companies have opened research centers in India and China. I have visited some of them. I was impressed with the level of skill of the workers I met there.

China's commitment to research, at $60 billion in expenditures, is dramatic by any measure. Over the last few years, China has doubled the share of its economy that it invests in research. China intends to double the amount committed to basic research in the next decade. Currently, only America beats out China in numbers of researchers in the workforce.

Over the last few months, I have offered a series of proposals to improve America's competitiveness. Today, I am pleased to introduce the Research Competitiveness Act of 2006. This bill would improve our research competitiveness in four major areas. All four address incentives in our tax code. Government also supports research through Federal spending. But I am not addressing those areas today.

First, my bill improves and simplifies the credit for applied research in section 41 of the tax code. This credit has grown to be overly complex, both for taxpayers and the IRS. Beginning in 2008, my bill would create a simpler 20 percent credit for qualifying research expenses that exceed 50 percent of the average expenses for the prior 3 years.

And just as important: The bill makes the credit permanent. Because the credit has been temporary, it has simply not been as effective as it could be. Since its creation in 1981, it has been extended 10 times. Congress even allowed it to lapse during one period.

The credit expired again just last December. And another short-term extension is pending in both tax reconciliation bills in conference. Last year, the experts at the Joint Committee on Taxation wrote: ''Perhaps the greatest criticism of the R&E credit among taxpayers regards its temporary nature.'' Joint Tax went on to say, ''A credit of longer duration may more successfully induce additional research than would a temporary credit, even if the temporary credit is periodically renewed.''

Currently, there are two different ways to claim a tax credit for qualifying research expenses. First, the ''traditional'' credit relies on incremental increases in expenses compared to a mid-1980s base period. Second, the ''alternative incremental'' credit measures the increase in research over the average of the prior 4 years.

Both of these credits have base periods involving gross receipts. My bill replaces these with a new credit, known as the ''Alternative Simplified Credit,'' based on research spending without reference to gross receipts. The current formula hurts companies that have fluctuating sales. And it hurts companies that take on a new line of business not dependent on research.

The Senate has passed this alternative formula as an optional credit several times. It is now pending in both versions of the tax reconciliation bill. It has not yet been enacted, though, even on a temporary basis.

I support the 2-year extension of the R&E credit contained in the Senate version of the tax reconciliation bill. That is why this new simpler formula in my bill would not start until 2008. That start date would give companies plenty of time to adjust their accounting.

The main complaint about the existing credits is that they are very complex, particularly the reference to the 20-year-old base period. This base period creates problems for the taxpayer in trying to calculate the credit. And it creates problems for the IRS in trying to administer and audit those claims.

The new credit focuses only on expenses, not gross receipts. And is still an incremental credit, so that companies must continue to increase research spending over time.

A tax credit is a cost-effective way to promote R&E. A report by the Congressional Research Service finds that without government support, investment in R&E would fall short of the socially optimal amount. Thus CRS endorses Government policies to boost private sector R&E.

Also, American workers who are engaged in R&E activities benefit from some of the most intellectually stimulating, high-paying, high-skilled jobs in the economy.

My own State of Montana has excellent examples of this economic activity. During the 1990s, about 400 establishments in Montana provided high-technology services, at an average wage of about $35,000 per year. These jobs paid nearly 80 percent more than the average private sector wage, which was less than $20,000 a year during the same period. Many of these jobs would never have been created without the assistance of the R&E credit.

My research bill would also establish a uniform reimbursement rate for all contract and consortia R&E. It would provide that 80 percent of expenses for research performed for the taxpayer by other parties count as qualifying research expenses under the regular credit.

Currently, when a taxpayer pays someone else to perform research for the taxpayer, the taxpayer can claim one of three rates in order to determine how much the taxpayer can include for the research credit. The lower amount is meant to assure overhead expenses that normally do not qualify for the R&E credit are not counted. Different rates, however, create unnecessary complexity. Therefore, my bill creates a uniform rate of 80 percent.

The second major research area that this bill addresses is the need to enhance and simplify the credit for basic research. This credit benefits universities and other entities committed to basic research. And it benefits the companies or individuals who donate to them. My bill provides that payments under the university basic research credit would count as contractor expenses at the rate of 100 percent.

The current formula for calculating the university basic research credit—defined as research ''for the advancement of science with no specific commercial objective''—is even more complex that the regular traditional R&E credit. Because of this complexity, this credit costs less than one-half of 1 percent of the cost of the regular R&E credit. It is completely under-utilized. It needs to be simplified to encourage businesses to give more for basic research.

American universities have been powerful engines of scientific discovery. To maintain our premier global position in basic research, America relies on sustained high levels of basic research funding and the ability to recruit the most talented students in the world. The gestation of scientific discovery is long. At least at first, we cannot know the commercial applications of a discovery. But America leads the world in biotechnology today because of support for basic research in chemistry and physics in the 1960s. Maintaining a commitment to scientific inquiry, therefore, must be part of our vision for sustained competitiveness.

Translating university discoveries into commercial products also takes innovation, capital, and risk. The Center for Strategic and International Studies asked what kind of government intervention can maintain technological leadership. One source of technological innovation that provides America with comparative advantage is the combination of university research programs, entrepreneurs, and risk capital from venture capital, corporations, or governments. Research clusters around Silicon Valley and North Carolina's Research Triangle exemplify this sort of combination.

The National Academies reached a similar conclusion in a 2002 review of the National Nanotechnology Initiatives. In a report, they wrote: ''To enhance the transition from basic to applied research, the committee recommends that industrial partnerships be stimulated and nurtured to help accelerate the commercialization of national nanotechnology developments.''

To further that goal, the third major area this bill addresses is fostering the creation of research parks. This part of the bill would benefit state and local governments and universities that want to create research centers for businesses incubating scientific discoveries with promise for commercial development.

Stanford created the Nation's first high-tech research park in 1951, in response to the demand for industrial land near the university and an emerging electronics industry tied closely to the School of Engineering. The Stanford Research Park traces its origins to a business started with $538 in a Palo Alto garage by two men named Bill Hewlett and Dave Packard. The Park is now home to 140 companies in electronics, software, biotechnology, and other high tech fields.

Similarly, the North Carolina Research Triangle was founded in 1959 by university, government, and business leaders with money from private contributions. It now has 112 research and development organizations, 37,600 employees, and capital investment of more than $2.7 billion. More recently, Virginia has fostered a research park now housing 53 private-sector companies, nonprofits, VCU research institutes, and state laboratories. The Virginia park employs more than 1,300 people.

The creation of these parks would seem to be an obvious choice. But it takes a significant commitment from a range of sources to bring them into being. To foster the creation and expansion of these successful parks, my bill will encourage their creation through the use of tax-exempt bond financing. Allowing tax-exempt bond authority would bring down the cost to establish such parks.

Foreign countries are emulating this successful formula. They are establishing high-tech clusters through government and university partnerships with private industry.

Back in 2000, a partnership was formed to foster TechRanch to assist Montana State University and other Montana-based research institutions in their efforts to commercialize research. But TechRanch is desperately in need of some new high-tech facilities. It could surely benefit from a provision such as this. I encourage my Colleagues to visit research parks in their States to see how my bill could be helpful in fostering more successful ventures.

A related item is a small fix to help universities that use tax-exempt bonds to build research facilities primarily for federal research in the basic or fundamental research area. Some of these facilities housing federal research—mostly NIH and NSF funded projects—are in danger of losing their tax-exempt bond status. Counsel have notified some state officials that they may be running afoul of a prohibition on ''private use'' in the tax code, because one private party has a superior claim to others in the use of inventions that result from research.

The complication comes from a 1980 law. In 1980, Congress enacted the Patent and Trademark Law Amendments Act, also known as the Bayh-Dole Act. The Bayh-Dole Act requires the Federal Government to retain a non-exclusive, royalty-free right on any discovery. In order to foster more basic research through Federal-State-university partnerships, we need to clarify that this provision of the Bayh-Dole act does not cause these bonds to lose their tax-exempt status. And my bill directs the Treasury Department to do so. I understand that the Treasury Department is aware of this significant concern. Whether or not Congress enacts my legislation, I hope that the Treasury Department will clarify the situation later this year.

The fourth major area that my bill addresses is innovation at the small business level. Recently, representatives of a number of small nanotechnology companies came to visit me. They told me that their greatest problem was surviving what they called the ''valley of death.'' That's what they called the first few years of business, when an entrepreneur has a promising technology but little money to test or develop it. Many businesses simply do not survive the ''valley of death.'' I believe that Congress should find a way to assist these businesses with promising technology.

Nanotechnology, for instance, shows much promise. According to one recent report, over the next decade, nanotechnology will affect most manufactured goods. As stated in Senate testimony by one National Science Foundation official earlier this year, ''Nanotechnology is truly our next great frontier in science and engineering.'' It took me a while to understand just what nanotechnology is. But it is basically the control of things at very, very small dimensions. By understanding and controlling at that dimension, people can find new and unique applications. These applications range from common consumer products—such as making our sunblocks—better to improving disease-fighting medicines—to designing more fuel-efficient cars.

So, to help these small businesses convert their promising science into successful businesses, my bill would establish tax credits for investments in qualifying small technology innovation companies. These struggling start-up ventures often cannot utilize existing incentives in the tax code—like the R&E tax credit—because they have no tax liability and may have little income for the first few years. They need access to cheap capital to get through those first few research-intensive years.

The credit in my bill would be similar to the existing and successful New Markets Tax Credit. The New Markets Credit has provided billions of dollars of investment to low-income communities across the country. In my bill, entities with some expertise and knowledge of research would receive an allocation from Treasury to analyze and select qualifying research investments. These investment entities would then target small business with promising technologies that focus the majority of their expenditures on activity qualifying as research expenses under the R&E credit.

In sum, my bill would boost both applied and basic research. It would boost research by businesses big and small. And it would foster research by for-profit and non-profits alike.

There is no clear answer to how to address the concerns raised in the ''Waiting for Sputnik'' report. But the answer is clear that we must try—and soon.

A noted environmentalist once said: ''Every major advance in the technological competence of man has forced revolutionary changes in the economic and political structure of society.'' From telephones to rockets to computers, I believe that this is true.

Let us work to see that the next big technological advance is discovered here in America. Only through continued commitment to research can we ensure that it is.

By Mrs. CLINTON (for herself and Mr. SCHUMER):

S. 2722. A bill to designate the facility of the United States Postal Service located at 170 East Main Street in Patchogue, New York, as the ''Lieutenant Michael P. Murphy Post Office Building''; to the Committee on Homeland Security and Governmental Affairs.

Mrs. CLINTON. Mr. President, today I rise to discuss legislation that designates the United States Post Office Building in Patchogue, New York as the ''Lieutenant Michael P. Murphy Post Office Building.''

Almost a year ago, Navy LT Michael P. Murphy was reported missing in the mountains of Afghanistan while on a covert reconnaissance mission in search of Taliban and al-Qaida insurgents. Reports indicate Lieutenant Murphy and the three other members of his Navy SEAL team came under heavy attack by Taliban insurgents soon after they were inserted by helicopter into their position. The military creed of ''never leaving a fallen comrade behind'' was never more appropriate as this American hero's body was recovered on the Fourth of July, our Nation's Independence Day. Michael Murphy was only 29 years of age at the time of his passing, but as his father recalls, ''He squeezed more life into 29 years than I will ever see.''

Lieutenant Murphy attended Patchogue-Medford High School on Long Island, where he was a National Honor Society student and a varsity football athlete. After graduating high school he attended Penn State University where he majored in political science and excelled academically. At the time of his graduation, he decided to fulfill a lifelong dream of becoming a Navy SEAL. While realizing this would be a formidable challenge, Michael was determined to serve our country. Michael was engaged to be married, and he planned to attend law school after his military service.

I ask that the Senate come together and honor this brave American hero for his service to our Nation.

By Mrs. CLINTON (for herself, Mr. KENNEDY, Mr. JEFFORDS, Mr. LEAHY, Mr. HARKIN, and Mr. OBAMA):

S. 2725. A bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal Minimum wage and to ensure that increases in the Federal minimum wage keep pace with any pay adjustments for Members of Congress; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I rise today to introduce the ''Standing with Minimum Wage Earners Act''. This legislation will raise the minimum wage over the next two years and link future increases in the minimum wage to Congressional raises.

Today, working parents earning the minimum wage are struggling to make ends meet and to build better lives for their children. The Federal minimum wage is currently $5.15 an hour, an amount that has not been increased since 1997. Sadly, during that time, Congress has given itself eight annual pay raises. We can no longer stand by and regularly give ourselves a pay increase while denying a minimum wage increase to help the more than 7 million men and women working hard across this nation. At a time when working families are struggling to put food on the table, it's critically important that we here in Washington do something. If Members of Congress need an annual cost of living adjustment, then certainly the lowest-paid members of our society do too.

There are currently 13 million American children living in poverty across this country, and this number is increasing every day. Families work hard and yet cannot make enough money to support themselves. More families are falling into poverty every day, and these families are working 40 hours a week. This is unacceptable.

Minimum wage workers have not had a raise in nearly a decade. The reality is a full-time job that pays minimum wage just does not provide enough money to support a family today. A single mother with two children who works 40 hours a week, 52 weeks a year earns only $10,700 a year. This amount—$10,700 a year—is almost $6,000 below the Federal poverty line for a family of three. We have a responsibility to help families earn a living wage.

My legislation will benefit all minimum wage earners, and it would especially benefit women who represent a disproportionate number of low-wage workers. 61 percent of minimum wage earners are women, even though women only comprise 48 percent of the total workforce. And almost one-third of these working women are raising children.

The women in my State of New York would feel the effects of a minimum wage increase most dramatically. New York is one of the top five States with the greatest number of low-wage women workers.

In addition to helping America's hardest working families, raising the minimum wage will also narrow the dramatic income gap between the haves and the have-nots across the country. The average income of the richest fifth of New York State families is 8.1 times the average income of the poorest fifth. Nationwide, families in the top fifth made 7.3 times more than those in the bottom fifth. This discrepancy needs to be fixed and my bill would be a step in the right direction towards fairness for America's hard-working families.

My legislation would increase the minimum wage first to $5.85 an hour, then to $6.55 an hour, and ultimately to $7.25 an hour within the next two years. In addition, my legislation then ensures that every time Congress gives itself a raise in the future that Americans get a raise too. This is the right and fair thing to do for hardworking Americans.

I would like to recognize my cosponsors Senators KENNEDY, JEFFORDS, LEAHY, HARKIN and OBAMA and thank them for joining me in this effort.

The ''Standing with Minimum Wage Earners Act'' has letters of support from Service Employees International Union (SEIU), the American Federation of Labor—Congress of Industrial Organization (AFL–CIO) and the Coalition for Human Needs.

I ask my colleagues to recognize the moral aspect of this issue. It is simply wrong to pay people a wage that they can barely live on. And it is shameful to continue to give ourselves raises as millions of American families struggle to survive. We should raise the Federal minimum wage so that working parents can lift their children out of poverty. It is past time to make this investment in our children and families.

By Mr. BOND (for himself and Mr. AKAKA):

S. 2735. A bill to amend the National Dam Safety Program Act to reauthorize the national dam safety program, and for other purposes; to the Committee on Environment and Public Works.

Mr. BOND. Mr. President, my distinguished colleague Senator AKAKA and I are introducing legislation today to reauthorize the National Dam Safety and

Security Program. The goal of this program, administered by FEMA, has been to advance dam safety in the United States and prevent loss of life and property damage from dam failures at both the Federal and State programmatic levels.

Over the last several months we have seen in both my home State of Missouri and my colleague's State of Hawaii, how critically important proper regulation, inspection and safety training is for maintaining our Nation's dams. The National Dam Safety Program Act provides much needed assistance to State dam safety programs, which are responsible for regulating 95 percent of the 80,000 dams in the U.S.

The States receive training assistance for their dam safety engineers and State grant assistance based on the number of dams in the State. The National Dam Safety Program, currently administered by FEMA within DHS, expires in September 30, 2006 and needs to be reauthorized.

I am proud to introduce this legislation along with my colleague Senator AKAKA in order to strengthen the protection of our citizens and critical infrastructure from dam failures through the Dam Safety and Security Program.

Mr. AKAKA. Mr. President, I rise today, along with my colleague, Senator CHRISTOPHER BOND, to introduce the Dam Safety Act of 2006. This legislation is designed to help prevent such tragic failures as the collapse of the privately owned Ka Loko Dam in Kauai last March in which seven people died. The legislation complements legislation that I introduced with Senator INOUYE, S. 2444, the Dam Rehabilitation and Repair Act of 2006, which assists in securing and repairing publicly owned dams. Both of these bills are critical to preventing the type of devastating collapse which occurred on Kauai.

This legislation is vitally important not only to my State but to every State. There are approximately 79,000 dams registered in the National Inventory of Dams. However, there are many more dams that are small and unregulated. This bill provides funding for State dam safety programs to enhance their oversight and support abilities.

The Dam Safety Act of 2006 reauthorizes the National Dam Safety Program, NDSP, which was first established as part of the Water Resources Development Act of 1996 Public Law 104–303. In 2002, the NDSP was reauthorized for another 4 years by the enactment of the Dam Safety and Security Act of 2002 Public Law 107–310. It expires at the end of this fiscal year, so its reauthorization is imperative.

The National Dam Safety Program delivers vital Federal resources to State governments to improve their dam safety programs by providing funds for training, technical assistance, research, and support. Federal incentive grants are awarded to States to enhance their dam safety programs. In addition, funds have been used to hire staff for inspections, pay for specialized training, and develop specialized mapping in the event that a dam failure necessitates evacuation.

Of the approximately $12 million authorized for each fiscal year, $8 million is divided among the States to improve safety programs and $2 million is allocated for research to identify more effective techniques to assess, construct, and monitor dams. In addition, $700,000 is available for training assistance for State engineers, and $1 million is used for the National Inventory of Dams.

The costs of failing to maintain dams properly are extremely high. There have been at least 29 dam failures in the United States during the past 2 years causing more than $200 million in property damages. The failure of the Silver Lake Dam in Michigan in 2003 caused more than $100 million in property damage. A December 2005 dam collapse in Missouri injured three children and destroyed several homes. People caught in the path of a dam collapse are often helpless to escape.

Such was the tragic situation in Hawaii when, in March, the Ka Loko Dam, a 116-year earthen dam, on the island of Kauai suddenly collapsed during heavy rains, killing seven people. When a dam collapses, destruction is often swift and uncontrollable. In the case on Kauai, local, State, and Federal officials quickly responded to the tragedy, assisting citizens while engineers from both the State Department of Land and Natural Resources and the U.S. Army Corps of Engineers inspected the over 50 dams on Kauai. Neighbors worked together to help neighbors, and our Governor quickly requested more funds, which the legislature approved, for cleanup and additional inspections.

While most of the responsibility is at the State and local level, there is a role for the Federal Government in supplementing State resources and developing national guidelines for dam safety. The funds Hawaii receives under the program help the State's staff to acquire and maintain equipment and software to assess dam safety. It is a small amount but vitally important to my State and to every State.

I urge my colleagues to join Senator BOND and me in supporting the reauthorization of the National Dam Safety Program.

I ask unanimous consent to insert in the RECORD at this point a letter from the Dam Safety Coalition endorsing this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DAM SAFETY COALITION,
Washington, DC, May 4, 2006.

Hon. KIT BOND,
Russell Senate Office Building,
Washington, DC.
Hon. DANIEL AKAKA,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BOND AND SENATOR AKAKA: We would like to commend you for your commitment to dam safety and to the reauthorization of the National Dam Safety Program.

Dams are a vital part of our nation's aging infrastructure and provide enormous benefits to the majority of Americans—benefits that include drinking water, flood protection, renewable hydroelectric power, navigation, irrigation and recreation. Yet, these critical daily benefits provided by the nation's dams are inextricably linked to the potential consequences of a dam failure if the dam is not maintained, or is unable to impound water, pass large flood events or withstand earthquake events in a safe manner.

The Dam Safety Coalition is proud to highlight the achievements of the National Dam Safety Program, administered by the Federal Emergency Management Agency (FEMA). Specifically, the program has fostered significant improvements in state dam safety programs, provided critical training to state engineers and established unprecedented cooperation between federal dam safety agencies and state dam safety programs. It requires FEMA to provide assistance to states in establishing, maintaining and improving dam safety programs.

Dams in the United States are aging, downstream development below dams is increasing dramatically and many older dams do not meet current dam safety standards. Dam failures are largely preventable disasters.

In 2005, the American Society of Civil Engineers published the Report Card for America's Infrastructure giving the condition of our nation's dams a grade of D, equal to the overall infrastructure grade. States have identified 3,500 unsafe or deficient dams, many being susceptible to large flood events or earthquakes. It is a reasonable expectation of every American to be protected by our government; including protection from preventable disasters such as dam failures.

To contact the Dam Safety Coalition please call Brian Pallasch if we can be of assistance.

We look forward to working with you to enact the National Dam Safety Act in the 109th Congress.

Sincerely,

BRIAN T. PALLASCH,
Co-Chair, Dam Safety Coalition.
LORI C. SPRAGENS,
Executive Director, ASDSO.

By Mr. CRAIG (for himself and Mr. AKAKA):

S. 2736. A bill to require the Secretary of Veterans Affairs to establish centers to provide enhanced services to veterans with amputations and prosthetic devices, and for other purposes; to the Committee on Veterans' Affairs.

Mr. CRAIG. Mr. President, today I seek floor recognition to introduce legislation to create a series of Amputation and Prosthetic Rehabilitation Centers in the Department of Veterans Affairs.

As many of you are aware, VA already operates numerous specialty care centers for the treatment of veterans with spinal cord injury, traumatic brain injury, and visual impairment. However, at this moment, VA does not operate any similar centers of care for the treatment of veterans with amputations.

I do not mean to suggest that VA does not provide excellent care and services to those veterans who have unfortunately lost a limb or part of limb.

But, there's always room for improvement in the care VA delivers and, just as importantly, there is room for improvement in the prosthetic services and devices that help those men and women with their physical restoration.

Many of us have spoken personally with service members who are recuperating from injuries at Walter Reed Army Medical Center or Bethesda Naval Hospital. Today's extraordinary battlefield medicine is bringing back to our shores service members from Iraq and Afghanistan who would never have lived through their injuries in previous wars. Thanks to the best health care facilities the military has to offer and the wonders of modern medicine, these brave Americans will eventually leave the hospital. Then, most will start the difficult process of reintegrating into civilian life. For those whose injuries resulted in an amputation, that process is just a little more difficult.

My hope with this bill is that these centers will be the lynchpin of a fully integrated Prosthetic Service Network; similar to those I mentioned at the outset of my remarks for the care of spinal cord injury, traumatic brain injury, and blindness. They would be fully responsible for the system-wide coordination of all of the Physical and Occupational Therapy and Prosthetics care provided to this new generation of severely wounded veterans. In addition, they will provide a new level of service to those who have long lived with amputations caused during previous wars or conflicts.

Further, it is my hope and expectation that these centers will house and drive much of the prosthetic and amputee related research and development projects conducted by VA. I believe that by gathering under one roof specialists, who have dedicated their medical practice to caring for and rehabilitating those who have lost limbs, we will drive the marketplace of ideas and develop the best treatment in the country. There is no limit to what modern technology, American ingenuity, and a great cause can accomplish.

Just the other day, my Committee held a hearing on VA's research program. At that meeting, I had the opportunity to speak with a VA clinician who, along with many of his colleagues, has created a proto-type prosthetic for someone who had lost part of a hand, but still had wrist control. In just a few moments time, I was able to wire the equipment to my own arm and with a little practice pick up a glass of water, hold it in the prosthetic hand, and then return it to the table and remove the hand from it without spilling a drop. It was nothing short of amazing. It was also a small glimpse of where we can go.

Of course, discoveries and inventions, like that hand, do not just remain in the VA vacuum. Once created, tested and approved, the R&D will leave the VA world and almost immediately benefit the civilian population of amputees. By combining the resources of our government and the needs of our veterans, we can improve the American medical system for all of our citizens.

With the right technology, the best health care services, and a little personal drive, many of our amputees will return to active lives. They will play tennis, basketball, go kayaking, and even climb mountains. And while I am not suggesting that these centers will cause all of that to happen, I believe they will create the environment in which those things can happen.

I hope all of my colleagues will join me in supporting this bill now. And I hope to report it out of my committee and bring it to the floor for a vote later this summer.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2736

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMPUTATION AND PROSTHETIC REHABILITATION CENTERS FOR VETERANS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall establish not less than five centers to provide rehabilitation services to veterans with amputations or prosthetic devices.

(2) PURPOSE.—The purpose of each center established pursuant to paragraph (1) are—

(A) to provide regional clinical facilities of the Department of Veterans Affairs with special expertise in prosthetics, rehabilitation with the use of prosthetics, treatment, and coordination of care for veterans who have an amputation of any functional part of the body; and

(B) to provide information and supportive services to all facilities of the Department of Veterans Affairs concerning the care and treatment of veterans with a prosthetic device.

(3) DESIGNATION.—Each center established pursuant to paragraph (1) shall be known as an ''Amputation and Prosthetic Rehabilitation Center'' (in this section referred to as a ''Center'').

(b) GEOGRAPHIC DISTRIBUTION.—In identifying appropriate facilities for the location of the Centers established pursuant to subsection (a), the Secretary shall ensure, to the maximum extent practicable, that such Centers are geographically located so as to be accessible to as many veterans as possible in the United States.

(c) STAFF AND RESOURCES.—Each Center shall include the following:

(1) A modern, well-equipped, and appropriately certified laboratory facility capable of providing state-of-the-art and complex prosthetic devices to all veterans with an amputation, including veterans with an amputation incurred in Operation Iraqi Freedom or Operation Enduring Freedom.

(2) Certified and experienced prosthetists, including prosthetists with certifications in new fabrication techniques.

(3) An accredited Physical Medicine and Rehabilitation (PM&R) service with staff who are well-trained in current prosthetic services and emerging trends for treatment of amputations.

(4) A modern gait laboratory, permanently located within such Center.

(d) NO DUPLICATION OF SERVICES OF POLYTRAUMA CENTERS.—

(1) IN GENERAL.—The Secretary shall, to the extent practicable, ensure that the services provided by the Centers established pursuant to subsection (a) do not duplicate the services provided by the polytrauma centers of the Department of Veterans Affairs designated as Tier I or Tier II Polytrauma centers.

(2) CONSTRUCTION.—Paragraph (1) shall not be construed to prohibit the location of a Center so as to facilitate the ready support of a polytrauma center, referred to in that paragraph.

Mr. AKAKA. Mr. President, today I rise with my good friend and colleague, Senator CRAIG from Idaho, to introduce legislation to establish at least five Amputation and Prosthetic Rehabilitation Centers within the Department of Veterans Affairs (VA). Through progressive and specialized expertise in the area of prosthetics and rehabilitation, the visible reminders of the sacrifices made by our wounded warriors will become less evident and hopefully less of a factor in their everyday lives.

Specialty care for amputees has become an even more pressing concern because of the types of injuries our brave soldiers have sustained in Operation Iraqi Freedom and Operation Enduring Freedom. Many would agree that this is not the same kind of war that other generations of veterans have fought. The use of body armor and improvements in battlefield medicine have saved more lives, but in many cases have left our soldiers with traumatic injuries. Servicemembers in the current conflicts have suffered from twice as many amputations as those who fought in past wars. Unfortunately, the incidence of multiple amputations from bomb blasts is higher in this war.

The VA health care system has only begun to see the men and women from Operation Enduring Freedom and Operation Iraqi Freedom who are in need of long-term rehabilitation. Indeed, these veterans are young and plan on being active for a long time. VA is well poised to take on this challenge. An ongoing study at the Providence VA hospital is looking at ''biohybrid'' limbs which are implanted into tissue and later become an integral part of the patient.

We cannot, however, forget about the war our current veterans continue to fight everyday against time and their health. Veterans struggling with diseases such as diabetes are often faced with amputation. The establishment of the Amputation and Prosthetic Rehabilitation Centers will provide advanced care to those who have endured the loss of a limb, which will help them regain full function and a better quality of life.

The centers will provide VA regional clinical facilities with cutting edge expertise in prosthetics, rehabilitation with the use of prosthetics, treatment, and coordination of care for a veteran with an amputation. By placing these centers in locations with the highest concentrations of veterans, those in need will truly benefit from these specialized services.

VA has always been a leader in progressive treatment and care. These centers will maintain VA as a leader by providing the tools and staff necessary to do so. The legislation requires that the centers must have a well-equipped and appropriately certified laboratory facility necessary to provide the most state-of-the-art and complex prosthetic devices.

With experienced prosthetists trained and certified in the area of new techniques, an accredited Physical Medicine and Rehabilitation service with trained staff in the most current prosthetic services, and a permanent modern gait laboratory located within each center, veterans are sure to receive the most advanced treatment and care.

A critical part of this legislation is that these centers will serve as resources for smaller VA hospitals which may not have all of the expertise but will certainly have the patients.

As Ranking Member of the Committee on Veterans' Affairs, I urge my colleagues to join Chairman CRAIG and myself in support of providing treatment to those in need so they can stand on their own.

By Mr. BINGAMAN (for himself, Mr. BAYH, Mr. COLEMAN, Mr. LIEBERMAN, Mr. CHAFEE, Ms. CANTWELL, Ms. COLLINS, Mr. SALAZAR, Mr. KERRY, Mrs. CLINTON, and Mr. NELSON of Florida):

S. 2747. A bill to enhance energy efficiency and conserve oil and natural gas, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BINGAMAN (for himself, Mr. BAYH, Mr. COLEMAN, Mr. LIEBERMAN, Mr. LUGAR, Ms. CANTWELL, Ms. COLLINS, Mr. SALAZAR, Mr. KERRY, Mrs. CLINTON, and Mr. NELSON of Florida):

S. 2748. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives to promote energy production and conservation, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President. I rise today to introduce two energy bills: the Enhanced Energy Security Act of 2006; and the Enhanced Energy Security Tax Incentives Act of 2006.

All of us know that we face a challenging energy situation in this country in both the short term and the long term. The world market price of crude oil is above $72 per barrel. We have seen gasoline prices above $3 per gallon in many parts of the country. In my home State of New Mexico, these prices are a real hardship to the many New Mexicans who are forced to drive long-distances to work, without the prospect of car pooling or public transportation. The steep rise in the price of gas at the pump is putting a nearly unbearable squeeze on family budgets in New Mexico and all across America.

So, we have a major national problem and not much time left in this Congress to make progress on it. The question is, what can we do in the remaining weeks of this Congress that would be bipartisan, that could be signed into law by the President, and that would hold out the prospect of eventually helping to moderate the price of gasoline at the pump?

I have thought for some time that the most effective way of approaching the real issues driving the high prices that consumers find unacceptable is through a four-part strategy focusing on 1. increasing consumer protection, 2. increasing supply, 3. increasing efficiency of oil and gas use, and 4. providing incentives for forward-looking energy choices in the market.

A fair number of bills have already been introduced that deal with the first two parts of that strategy. What has been lacking is a bipartisan path forward to consensus on increasing energy efficiency and on stimulating forward-looking investments in energy efficiency and renewable energy technologies.

Today's bills are intended to fill that gap. Each of these two bills is designed to go to a single committee with jurisdiction over most, if not all, of its contents.

The first bill, the Enhanced Energy Security Act of 2006, is comprised of provisions that generally fall in the jurisdiction of the Committee on Energy and Natural Resources.

The second bill, the Enhanced Energy Security Tax Incentives Act of 2006, is comprised solely of provisions in the jurisdiction of the Senate Finance Committee.

Some of the provisions in these two bills have been drawn from other bills, including S. 2025, the Vehicles and Fuels Choices for American Security Act, which was introduced last year by Senators BAYH, COLEMAN, LIEBERMAN and BROWNBACK along with others. I appreciate their leadership and their support for this effort. What is newsworthy here today is that we are putting a large body of good policy ideas in a form that will facilitate committee action here in the Senate.

Relying on the Energy and the Finance committees to do the necessary homework to come up with bipartisan solutions to our energy challenges is the best way for us to make progress in this Congress. Both committees have leaders, in Senators DOMENICI and Senator GRASSLEY, who demonstrated their commitment to bipartisan engagement on energy issues during the enactment of last year's Energy Policy Act of 2005. I am looking forward to working with both Committee Chairs to move forward with the ideas in these bills on a bipartisan basis.

The basic idea behind the first bill, which is coming to the Energy Committee, is that if we want, in the long term, to moderate the prices that consumers are seeing in today's markets from oil and natural gas, we need to focus more strongly on increasing energy efficiency, and particularly increased efficiency of our use of oil and natural gas.

That's an area where we were unable to do much in the last Energy bill. But, there is a lot that needs to be done.

Among the most important provisions we are taking from S. 2025 and putting in the new bill, is an emphasis on an expanded plan for economy-wide oil savings. The President is to come up with a plan that will cut our oil use, from projected levels, by 2.5 million barrels of oil per day by 2016, 7 million barrels of oil per day by 2026, and 10 million barrels of oil per day by 2031.

The new bill, also like S. 2025, includes a number of initiatives designed to reduce our nearly total reliance on petroleum products in the transportation sector. These include: programs that will speed the development of new vehicle technologies such as "plug-in hybrids" and the use of advanced light weight materials in vehicles; expanding the authority of the Secretary of Energy to provide loan guarantees and competitive grants to auto manufacturers and parts manufacturers for converting existing facilities or building new facilities for manufacturing fuel-efficient vehicles and vehicle components; increasing the availability of alternative fuels, such as E85, across the country by providing funding for alternative fuel fueling stations; and providing incentives for the production of cellulosic ethanol—including loan guarantees and a reverse auction for production payments.

The new bill will also include a number of provisions aimed at relieving demand and price pressure on natural gas. These include: strengthening the Federal purchase requirement for renewable energy; the 10 percent renewable portfolio standard that has passed the full Senate 3 times in the past 4 years; encouraging States to strengthen their programs on demand-side management; and better educating consumers about energy efficiency measures that they can take.

The basic idea behind the second bill, the Enhanced Energy Security Tax Incentives Act of 2006, is to create fiscal incentives that help forward-looking energy technologies to enter the market. As is often the case with technological advancements, many of the energy technology alternatives that are poised to enter the marketplace will not be able to successfully compete without some transitional help.

The first set of provisions in the bill extends, through 2010, the various alternative fuel, efficiency and renewable energy tax provisions we passed last year. These existing tax incentives will work best if investors, manufacturers and consumers know that the government is committed and that they can plan for these tax incentives being there for a few years. The tax provisions we are extending include provisions to encourage the purchase of energy efficient housing and office materials, as well as the generation of electricity from alternative sources such as biomass, fuel cells, the wind and the sun. It will be nearly impossible for Congress to create a comprehensive national energy policy if important energy tax incentives such as these are in a perpetual state of uncertainty over the long term. If we extend these tax incentives through 2010 now, we will see a great increase in their usefulness in an industry that needs a few years lead-time to plan and build major energy projects.

The second set of provisions in the new tax bill will create new incentives to encourage our country to move towards more fuel efficient vehicles, such as hybrids. It accomplishes this in several ways.

First, as the President has suggested, we lift the current cap on the number of vehicles per manufacturer that are eligible for a consumer tax credit. This proposal was also part of the package unveiled last week by Senators DOMENICI and FRIST. Under the bill I will be introducing, this modified version of the tax credit will be also extended until 2010.

Next, we create a 35 percent tax credit for manufacturers on the expenses involved in retrofitting or setting up manufacturing facilities to make these fuel efficient vehicles.

To encourage businesses with fleets of vehicles, we create a 15 percent tax credit for the purchase of more than 10 fuel efficient vehicles in a year.

In order to encourage alternative fueling stations, we expand the current 30 percent tax credit to 50 percent and allow it to be operative until the end of 2010.

Finally, we create a 25 percent tax credit for the purchase of qualified idling reduction equipment so that vehicles currently on the road are not running their engines any more than necessary.

While this is a rather large expansion of the currently available tax incentives for fuel efficient vehicles, it is what is going to be necessary to get our vehicle policy headed in the right direction.

The legislation also contains new provisions to encourage the purchase of fuel efficient technologies for residences and businesses. It creates a 10 percent tax credit for the purchase of energy efficient combined heat and power units as well as provides for three year depreciation on the purchase price for ''smart meters.'' These provisions have broad support in the Senate but were regrettably dropped in last year's conference on the Energy Bill. I think is important that we look at these provisions anew.

A question that usually arises when you talk about expanding tax incentives is whether they are going to be paid for. Many of us here in the Senate are worried about the deficit, so the tax bill that I am describing contains several revenue offsets, such as the provisions contained in last year's reconciliation tax bill that get rid of tax benefits in the oil and gas industry that are unnecessary and a waste of taxpayer dollars. This legislation would also close the SUV tax loophole that provides a windfall for the purchasers of inefficient cars at a time when the nation needs to be discouraging this activity.

I look forward to working with the Chairman and Ranking Member of the Finance Committee on both these new tax incentives but also on ways of paying for them, so that we are acting in a way that is fiscally responsible.

I ask unanimous consent that the text of both bills be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Enhanced Energy Security Act of 2006''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of Energy.

TITLE I—NATIONAL OIL SAVINGS PLAN AND REQUIREMENTS

SEC. 101. OIL SAVINGS TARGET AND ACTION PLAN.

Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this title as the ''Director'') shall publish in the Federal Register an action plan consisting of—

(1) a list of requirements proposed or to be proposed pursuant to section 102 that are authorized to be issued under law in effect on the date of enactment of this Act, and this Act, that will be sufficient, when taken together, to save from the baseline determined under section 105—

(A) 2,500,000 barrels of oil per day on average during calendar year 2016;

(B) 7,000,000 barrels of oil per day on average during calendar year 2026; and

(C) 10,000,000 barrels per day on average during calendar year 2031; and

(2) a Federal Government-wide analysis of—

(A) the expected oil savings from the baseline to be accomplished by each requirement; and

(B) whether all such requirements, taken together, will achieve the oil savings specified in this section.

SEC. 102. STANDARDS AND REQUIREMENTS.

(a) IN GENERAL.—On or before the date of publication of the action plan under section 101, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines appropriate shall each propose, or issue a notice of intent to propose, regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the respective agency using authorities described in subsection (b).

(b) AUTHORITIES.—The head of each agency described in subsection (a) shall use to carry out this section—

(1) any authority in existence on the date of enactment of this Act (including regulations); and

(2) any new authority provided under this Act (including an amendment made by this Act).

(c) FINAL REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the head of each agency described in subsection (a) shall promulgate final versions of the regulations required under this section.

(d) AGENCY ANALYSES.—Each proposed and final regulation promulgated under this section shall—

(1) be designed to achieve at least the oil savings resulting from the regulation under the action plan published under section 101; and

(2) be accompanied by an analysis by the applicable agency describing the manner in which the regulation will promote the achievement of the oil savings from the baseline determined under section 105.

SEC. 103. INITIAL EVALUATION.

(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section 105.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 101, simultaneously with the analysis required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 102.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 104. REVIEW AND UPDATE OF ACTION PLAN.

(a) REVIEW.—Not later than January 1, 2011, and every 3 years thereafter, the Director shall submit to Congress, and publish, a report that—

(1) evaluates the progress achieved in implementing the oil savings targets established under section 101;

(2) analyzes the expected oil savings under the standards and requirements established under this Act and the amendments made by this Act; and

(3)(A) analyzes the potential to achieve oil savings that are in addition to the savings required by section 101; and

(B) if the President determines that it is in the national interest, establishes a higher oil savings target for calendar year 2017 or any subsequent calendar year.

(b) INADEQUATE OIL SAVINGS.—If the oil savings are less than the targets established under section 101, simultaneously with the report required under subsection (a)—

(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and

(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 102.

(c) FINAL REGULATIONS.—Not later than 180 days after the date on which regulations are proposed under subsection (b)(2), the Secretary of Energy, the Secretary of Transportation, and the Administrator shall promulgate final versions of those regulations.

SEC. 105. BASELINE AND ANALYSIS REQUIREMENTS.

In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings required by this title, the Secretary of Energy, the Secretary of Transportation, the Secretary of Defense, the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the head of any other agency the President determines to be appropriate shall—

(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report of the Energy Information Administration entitled ''Annual Energy Outlook 2005'';

(2) determine the oil savings projections required on an annual basis for each of calendar years 2009 through 2026; and

(3) account for any overlap among the standards and other requirements to ensure that the projected oil savings from all the promulgated standards and requirements, taken together, are as accurate as practicable.

TITLE II—FEDERAL PROGRAMS FOR THE CONSERVATION OF OIL

SEC. 201. FEDERAL FLEET CONSERVATION REQUIREMENTS.

(a) IN GENERAL.—Part J of title IV of the Energy Policy and Conservation Act (42 U.S.C. 6374 et seq.) is amended by adding at the end the following:

''SEC. 400FF. FEDERAL FLEET CONSERVATION REQUIREMENTS.

''(a) MANDATORY REDUCTION IN PETROLEUM CONSUMPTION.—

''(1) IN GENERAL.—The Secretary shall issue regulations for Federal fleets subject to section 400AA requiring that not later than October 1, 2009, each Federal agency achieve at least a 20 percent reduction in petroleum consumption, as calculated from the baseline established by the Secretary for fiscal year 1999.

''(2) PLAN.—

''(A) REQUIREMENT.—The regulations shall require each Federal agency to develop a plan to meet the required petroleum reduction level.

''(B) MEASURES.—The plan may allow an agency to meet the required petroleum reduction level through—

''(i) the use of alternative fuels;

''(ii) the acquisition of vehicles with higher fuel economy, including hybrid vehicles;

''(iii) the substitution of cars for light trucks;

''(iv) an increase in vehicle load factors;

''(v) a decrease in vehicle miles traveled;

''(vi) a decrease in fleet size; and

''(vii) other measures.

''(C) REPLACEMENT TIRES.—The regulations shall include a requirement that each Federal agency purchase energy-efficient replacement tires for the respective fleet vehicles of the agency.

''(b) FEDERAL EMPLOYEE INCENTIVE PROGRAMS FOR REDUCING PETROLEUM CONSUMPTION.—

''(1) IN GENERAL.—Each Federal agency shall actively promote incentive programs that encourage Federal employees and contractors to reduce petroleum through the use of practices such as—

''(A) telecommuting;

''(B) public transit;

''(C) carpooling; and

''(D) bicycling.

''(2) MONITORING AND SUPPORT FOR INCENTIVE PROGRAMS.—The Administrator of the General Services Administration, the Director of the Office of Personnel Management, and the Secretary of the Department of Energy shall monitor and provide appropriate support to agency programs described in paragraph (1).''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and Conservation Act (42 U.S.C. prec. 6201) is amended by adding at the end of the items relating to part J of title III the following:

''Sec. 400FF. Federal fleet conservation requirements.''.

SEC. 202. ASSISTANCE FOR STATE PROGRAMS TO RETIRE FUEL-INEFFICIENT MOTOR VEHICLES.

(a) DEFINITIONS.—In this section:

(1) FUEL-EFFICIENT AUTOMOBILE.—The term ''fuel-efficient automobile'' means a passenger automobile or a light-duty truck that has a fuel economy rating that is 40 percent greater than the average fuel economy standard prescribed pursuant to section 32902 of title 49, United States Code, or other law, applicable to the passenger automobile or light-duty truck.

(2) FUEL-INEFFICIENT AUTOMOBILES.—The term ''fuel-inefficient automobile'' means a passenger automobile or a light-duty truck manufactured in a model year more than 15 years before the fiscal year in which appropriations are made under subsection (f) that, at the time of manufacture, had a fuel economy rating that was equal to or less than [20?] miles per gallon.

(3) LIGHT-DUTY TRUCK.—

(A) IN GENERAL.—The term ''light-duty truck'' means an automobile that is not a passenger automobile.

(B) INCLUSIONS.—The term ''light-duty truck'' includes a pickup truck, a van, or a four-wheel-drive general utility vehicle, as those terms are defined in section 600.002–85 of title 40, Code of Federal Regulations.

(4) STATE.—The term ''State'' means any of the several States and the District of Columbia.

(b) ESTABLISHMENT.—The Secretary shall establish a program, to be known as the ''National Motor Vehicle Efficiency Improvement Program,'' under which the Secretary shall provide grants to States to operate voluntary programs to offer owners of fuel inefficient automobiles financial incentives to replace the automobiles with fuel efficient automobiles.

(c) ELIGIBILITY CRITERIA.—The Secretary shall approve a State plan and provide the funds made available under subsection (f), if the State plan—

(1) except as provided in paragraph (8), requires that all passenger automobiles and light-duty trucks turned in be scrapped, after allowing a period of time for the recovery of spare parts;

(2) requires that all passenger automobiles and light-duty trucks turned in be registered in the State in order to be eligible;

(3) requires that all passenger automobiles and light-duty trucks turned in be operational at the time that the passenger automobiles and light-duty trucks are turned in;

(4) restricts automobile owners (except not-for-profit organizations) from turning in more than 1 passenger automobile and 1 light-duty truck during a 1–year period;

(5) provides an appropriate payment to the person recycling the scrapped passenger automobile or light-duty truck for each turned-in passenger automobile or light-duty truck;

(6) subject to subsection (d)(2), provides a minimum payment to the automobile owner for each passenger automobile and light-duty truck turned in; and

(7) provides appropriate exceptions to the scrappage requirement for vehicles that qualify as antique cars under State law.

(d) STATE PLAN.—

(1) IN GENERAL.—To be eligible to receive funds under the program, the Governor of a State shall submit to the Secretary a plan to carry out a program under this section in that State.

(2) ADDITIONAL STATE CREDIT.—In addition to the payment under subsection (c)(6), the State plan may provide a credit that may be redeemed by the owner of the replaced fuel-inefficient automobile at the time of purchase of the new fuel-efficient automobile.

(e) ALLOCATION FORMULA.—The amounts appropriated pursuant to subsection (f) shall be allocated among the States on the basis of the number of registered motor vehicles in each State at the time that the Secretary needs to compute shares under this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section, to remain available until expended.

SEC. 203. ASSISTANCE TO STATES TO REDUCE SCHOOL BUS IDLING.

(a) STATEMENT OF POLICY.—Congress encourages each local educational agency (as defined in section 9101(26) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801(26))) that receives Federal funds under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) to develop a policy to reduce the incidence of school bus idling at schools while picking up and unloading students.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Energy, working in coordination with the Secretary of Education, $5,000,000 for each of fiscal years 2007 through 2012 for use in educating States and local education agencies about—

(1) benefits of reducing school bus idling; and

(2) ways in which school bus idling may be reduced.

SEC. 204. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote, in partnership with industry, comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles using diverse electric drive transportation technologies;

(2) to make critical public investments to help private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to expand the availability of the existing electric infrastructure for fueling light duty transportation and other on-road and nonroad vehicles that are using petroleum and are mobile sources of emissions—

(A) including the more than 3,000,000 reported units (such as electric forklifts, golf carts, and similar nonroad vehicles) in use on the date of enactment of this Act; and

(B) with the goal of enhancing the energy security of the United States, reduce dependence on imported oil, and reduce emissions through the expansion of grid supported mobility;

(4) to accelerate the widespread commercialization of all types of electric drive vehicle technology into all sizes and applications of vehicles, including commercialization of plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles; and

(5) to improve the energy efficiency of and reduce the petroleum use in transportation.

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term ''battery'' means an energy storage device used in an on-road or nonroad vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term ''electric drive transportation technology'' means—

(A) vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment relating to transportation or mobile sources of air pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term ''engine dominant hybrid electric vehicle'' means an on-road or nonroad vehicle that—

(A) is propelled by an internal combustion engine or heat engine using—

(i) any combustible fuel;

(ii) an on-board, rechargeable storage device; and

(B) has no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term ''fuel cell vehicle'' means an on-road or nonroad vehicle that uses a fuel cell (as defined in section 3 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990).

(5) NONROAD VEHICLE.—The term ''nonroad vehicle'' has the meaning given the term in section 216 of the Clean Air Act (42 U.S.C. 7550).

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term ''plug-in hybrid electric vehicle'' means an on-road or nonroad vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term ''plug-in hybrid fuel cell vehicle'' means a fuel cell vehicle with a battery powered by an off-board source of electricity.

(c) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency batteries;

(2) high efficiency on-board and off-board charging components;

(3) high power drive train systems for passenger and commercial vehicles and for nonroad equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption; and

(iii) green house gas reduction;

(5) nanomaterial technology applied to both battery and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different batteries and control systems, including—

(A) military applications;

(B) mass market passenger and light-duty truck applications;

(C) private fleet applications; and

(D) medium- and heavy-duty applications;

(7) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education focused on electric drive system and component engineering;

(8) development, in consultation with the Administrator of the Environmental Protection Agency, of procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium-, and heavy-duty vehicle applications, including consideration of—

(A) the vehicle and fuel as a system, not just an engine; and

(B) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(i) understand and inventory markets; and

(ii) identify and implement methods of removing barriers for existing and emerging applications.

(d) GOALS.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of employment in the United States in electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) acceleration of fuel cell commercialization through comprehensive development and commercialization of the electric drive technology systems that are the foundational technology of the fuel cell vehicle system.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $300,000,000 for each of fiscal years 2007 through 2012.

SEC. 205. LIGHTWEIGHT MATERIALS RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish a research and development program to determine ways in which—

(1) the weight of vehicles may be reduced to improve fuel efficiency without compromising passenger safety; and

(2) the cost of lightweight materials (such as steel alloys and carbon fibers) required for the construction of lighter-weight vehicles may be reduced.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2007 through 2012.

SEC. 206. LOAN GUARANTEES FOR FUEL-EFFICIENT AUTOMOBILE MANUFACTURER AND SUPPLIERS.

(a) IN GENERAL.—Section 712(a) of the Energy Policy Act of 2005 (42 U.S.C. 16062(a)) is amended in the second sentence by striking ''grants to automobile manufacturers'' and inserting ''grants and loan guarantees under section 1703 to automobile manufacturers and suppliers''.

(b) CONFORMING AMENDMENT.—Section 1703(b) of the Energy Policy Act of 2005 (42 U.S.C. 16513(b)) is amended by striking paragraph (8) and inserting the following:

''(8) Production facilities for the manufacture of fuel-efficient vehicles or parts of such vehicles, including hybrid and advanced diesel vehicles.''.

SEC. 207. FUNDING FOR ALTERNATIVE INFRASTRUCTURE FOR THE DISTRIBUTION OF TRANSPORTATION FUELS.

(a) IN GENERAL.—There is established in the Treasury of the United States a trust fund, to be known as the ''Alternative Fueling Infrastructure Trust Fund'' (referred to in this section as the ''Trust Fund''), consisting of such amounts as are deposited into the Trust Fund under subsection (b) and any interest earned on investment of amounts in the Trust Fund.

(b) PENALTIES.—The Secretary of Transportation shall remit 90 percent of the amount collected in civil penalties under section 32912 of title 49, United States Code, to the Trust Fund.

(c) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary of Energy shall obligate such sums as are available in the Trust Fund to establish a grant program to increase the number of locations at which consumers may purchase alternative transportation fuels.

(2) ADMINISTRATION.—

(A) IN GENERAL.—The Secretary may award grants under this subsection to—

(i) individual fueling stations; and

(ii) corporations (including nonprofit corporations) with demonstrated experience in the administration of grant funding for the purpose of alternative fueling infrastructure.

(B) MAXIMUM AMOUNT OF GRANTS.—A grant provided under this subsection may not exceed—

(i) $150,000 for each site of an individual fueling station; and

(ii) $500,000 for each corporation (including a nonprofit corporation).

(C) PRIORITIZATION.—The Secretary shall prioritize the provision of grants under this subsection to recognized nonprofit corporations that have proven experience and demonstrated technical expertise in the establishment of alternative fueling infrastructure, as determined by the Secretary.

(D) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the funds provided in any grant may be used by the recipient of the grant to pay administrative expenses.

(E) NUMBER OF VEHICLES.—In providing grants under this subsection, the Secretary shall consider the number of vehicles in service capable of using a specific type of alternative fuel.

(F) MATCH.—Grant recipients shall provide a non-Federal match of not less than $1 for every $3 of grant funds received under this subsection.

(G) LOCATIONS.—Each grant recipient shall select the locations for each alternative fuel station to be constructed with grant funds received under this subsection on a formal, open, and competitive basis.

(H) USE OF INFORMATION IN SELECTION OF RECIPIENTS.—In selecting grant recipients under this subsection, the Secretary may consider—

(i) public demand for each alternative fuel in a particular county based on State registration records indicating the number of vehicles that may be operated using alternative fuel; and

(ii) the opportunity to create or expand corridors of alternative fuel stations along interstates or highways.

(3) USE OF GRANT FUNDS.—Grant funds received under this subsection may be used to—

(A) construct new facilities to dispense alternative fuels;

(B) purchase equipment to upgrade, expand, or otherwise improve existing alternative fuel facilities; or

(C) purchase equipment or pay for specific turnkey fueling services by alternative fuel providers.

(4) FACILITIES.—Facilities constructed or upgraded with grant funds under this subsection shall—

(A) provide alternative fuel available to the public for a period not less than 4 years;

(B) establish a marketing plan to advance the sale and use of alternative fuels;

(C) prominently display the price of alternative fuel on the marquee and in the station;

(D) provide point of sale materials on alternative fuel;

(E) clearly label the dispenser with consistent materials;

(F) price the alternative fuel at the same margin that is received for unleaded gasoline; and

(G) support and use all available tax incentives to reduce the cost of the alternative fuel to the lowest practicable retail price.

(5) OPENING OF STATIONS.—

(A) IN GENERAL.—Not later than the date on which each alternative fuel station begins to offer alternative fuel to the public, the grant recipient that used grant funds to construct the station shall notify the Secretary of the opening.

(B) WEBSITE.—The Secretary shall add each new alternative fuel station to the alternative fuel station locator on the website of the Department of Energy when the Secretary receives notification under this subsection.

(6) REPORTS.—Not later than 180 days after the receipt of a grant award under this subsection, and every 180 days thereafter, each grant recipient shall submit a report to the Secretary that describes—

(A) the status of each alternative fuel station constructed with grant funds received under this subsection;

(B) the quantity of alternative fuel dispensed at each station during the preceding 180-day period; and

(C) the average price per gallon of the alternative fuel sold at each station during the preceding 180-day period.

SEC. 208. DEPLOYMENT OF NEW TECHNOLOGIES TO REDUCE OIL USE IN TRANSPORTATION.

(a) FUEL FROM CELLULOSIC BIOMASS.—

(1) IN GENERAL.—The Secretary shall provide deployment incentives under this subsection to encourage a variety of projects to produce transportation fuel from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) PROJECT ELIGIBILITY.—Incentives under this subsection shall be provided on a competitive basis to projects that produce fuel that—

(A) meet United States fuel and emission specifications;

(B) help diversify domestic transportation energy supplies; and

(C) improve or maintain air, water, soil, and habitat quality.

(3) INCENTIVES.—Incentives under this subsection may consist of—

(A) loan guarantees under section 1510 of the Energy Policy Act of 2005 (42 U.S.C. 16501), subject to section 1702 of that Act (22 U.S.C. 16512), for the construction of production facilities and supporting infrastructure; or

(B) production payments through a reverse auction in accordance with paragraph (4).

(4) REVERSE AUCTION.—

(A) IN GENERAL.—In providing incentives under this subsection, the Secretary shall—

(i) issue regulations under which producers of fuel from cellulosic biomass may bid for production payments under paragraph (3)(B); and

(ii) solicit bids from producers of different classes of transportation fuel, as the Secretary determines to be appropriate.

(B) REQUIREMENT.—The rules under subparagraph (A) shall require that incentives be provided to the producers that submit the lowest bid (in terms of cents per gallon) for each class of transportation fuel from which the Secretary solicits a bid.

(b) ADVANCED TECHNOLOGY VEHICLES MANUFACTURING INCENTIVE PROGRAM.—

(1) DEFINITIONS.—In this subsection:

(A) ADJUSTED FUEL ECONOMY.—The term ''adjusted fuel economy'' means the average fuel economy of a manufacturer for all light duty motor vehicles produced by the manufacturer, adjusted such that the fuel economy of each vehicle that qualifies for a credit shall be considered to be equal to the average fuel economy for the weight class of the vehicle for model year 2002.

(B) ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—The term ''advanced lean burn technology motor vehicle'' means a passenger automobile or a light truck with an internal combustion engine that—

(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel;

(ii) incorporates direct injection; and

(iii) achieves at least 125 percent of the city fuel economy of vehicles in the same size class as the vehicle for model year 2002.

(C) ADVANCED TECHNOLOGY VEHICLE.—The term ''advanced technology vehicle'' means a light duty motor vehicle that—

(i) is a hybrid motor vehicle or an advanced lean burn technology motor vehicle; and

(ii) meets—

(I) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)), or a lower-numbered Bin emission standard;

(II) any new emission standard for fine particulate matter prescribed by the Administrator under that Act (42 U.S.C. 7401 et seq.); and

(III) at least 125 percent of the base year city fuel economy for the weight class of the vehicle.

(D) ENGINEERING INTEGRATION COSTS.—The term ''engineering integration costs'' includes the cost of engineering tasks relating to—

(i) incorporating qualifying components into the design of advanced technology vehicles; and

(ii) designing new tooling and equipment for production facilities that produce qualifying components or advanced technology vehicles.

(E) HYBRID MOTOR VEHICLE.—The term ''hybrid motor vehicle'' means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system.

(F) QUALIFYING COMPONENTS.—The term ''qualifying components'' means components that the Secretary determines to be—

(i) specially designed for advanced technology vehicles; and

(ii) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(2) MANUFACTURER FACILITY CONVERSION AWARDS.—The Secretary shall provide facility conversion funding awards under this subsection to automobile manufacturers and component suppliers to pay not more than 30 percent of the cost of—

(A) reequipping or expanding an existing manufacturing facility in the United States to produce—

(i) qualifying advanced technology vehicles; or

(ii) qualifying components; and

(B) engineering integration performed in the United States of qualifying vehicles and qualifying components.

(3) PERIOD OF AVAILABILITY.—An award under paragraph (2) shall apply to—

(A) facilities and equipment placed in service before December 30, 2017; and

(B) engineering integration costs incurred during the period beginning on the date of enactment of this Act and ending on December 30, 2017.

(4) IMPROVEMENT.—The Secretary shall issue regulations that require that, in order for an automobile manufacturer to be eligible for an award under this subsection during a particular year, the adjusted average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the most recent year for which data are available shall be not less than the average fuel economy for all light duty motor vehicles of the manufacturer for model year 2002.

SEC. 209. PRODUCTION INCENTIVES FOR CELLULOSIC BIOFUELS.

Section 942(f) of the Energy Policy Act of 2005 (42 U.S.C. 16251(f)) is amended by striking ''$250,000,000'' and inserting ''$200,000,000 for each of fiscal years 2007 through 2011''.

TITLE III—FEDERAL PROGRAMS FOR THE CONSERVATION OF NATURAL GAS

SEC. 301. RENEWABLE PORTFOLIO STANDARD.

(a) IN GENERAL.—Title VI of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended by adding at the end the following:

''SEC. 610. FEDERAL RENEWABLE PORTFOLIO STANDARD.

''(a) RENEWABLE ENERGY REQUIREMENT.—

''(1) IN GENERAL.—Each electric utility that sells electricity to electric consumers shall obtain a percentage of the base amount of electricity it sells to electric consumers in any calendar year from new renewable energy or existing renewable energy. The percentage obtained in a calendar year shall not be less than the amount specified in the following table:

''Calendar year:	Minimum annual percentage:
2008 through 2011	2.55
2012 through 2015	5.05
2016 through 2019	7.55
2020 through 2030	10.0

''(2) MEANS OF COMPLIANCE.—An electric utility shall meet the requirements of paragraph (1) by—

''(A) generating electric energy using new renewable energy or existing renewable energy;

''(B) purchasing electric energy generated by new renewable energy or existing renewable energy;

''(C) purchasing renewable energy credits issued under subsection (b); or

''(D) a combination of the foregoing.

''(b) RENEWABLE ENERGY CREDIT TRADING PROGRAM.—

''(1) IN GENERAL.—Not later than January 1, 2007, the Secretary shall establish a renewable energy credit trading program to permit an electric utility that does not generate or purchase enough electric energy from renewable energy to meet its obligations under subsection (a)(1) to satisfy such requirements by purchasing sufficient renewable energy credits.

''(2) ADMINISTRATION.—As part of the program, the Secretary shall—

''(A) issue renewable energy credits to generators of electric energy from new renewable energy;

''(B) sell renewable energy credits to electric utilities at the rate of 1.5 cents per kilowatt-hour (as adjusted for inflation under subsection (g));

''(C) ensure that a kilowatt hour, including the associated renewable energy credit, shall be used only once for purposes of compliance with this section; and

''(D) allow double credits for generation from facilities on Indian land, and triple credits for generation from small renewable distributed generators (meaning those no larger than 1 megawatt).

''(3) DURATION.—Credits under paragraph (2)(A) may only be used for compliance with this section for 3 years from the date issued.

''(4) TRANSFERS.—An electric utility that holds credits in excess of the amount needed to comply with subsection (a) may transfer such credits to another electric utility in the same utility holding company system.

''(5) EASTERN INTERCONNECT.—In the case of a retail electric supplier that is a member of a power pool located in the Eastern Interconnect and that is subject to a State renewable portfolio standard program that provides for compliance primarily through the acquisition of certificates or credits in lieu of the direct acquisition of renewable power, the Secretary shall issue renewable energy credits in an amount that corresponds to the kilowatt-hour obligation represented by the State certificates and credits issued pursuant to the State program to the extent the State certificates and credits are associated with renewable resources eligible under this section.

''(c) ENFORCEMENT.—

''(1) CIVIL PENALTIES.—Any electric utility that fails to meet the renewable energy requirements of subsection (a) shall be subject to a civil penalty.

''(2) AMOUNT OF PENALTY.—The amount of the civil penalty shall be determined by multiplying the number of kilowatt-hours of electric energy sold to electric consumers in violation of subsection (a) by the greater of 1.5 cents (adjusted for inflation under subsection (g)) or 200 percent of the average market value of renewable energy credits during the year in which the violation occurred.

''(3) MITIGATION OR WAIVER.—The Secretary may mitigate or waive a civil penalty under this subsection if the electric utility was unable to comply with subsection (a) for reasons outside of the reasonable control of the utility. The Secretary shall reduce the amount of any penalty determined under paragraph (2) by an amount paid by the electric utility to a State for failure to comply with the requirement of a State renewable energy program if the State requirement is greater than the applicable requirement of subsection (a).

''(4) PROCEDURE FOR ASSESSING PENALTY.—The Secretary shall assess a civil penalty under this subsection in accordance with the procedures prescribed by section 333(d) of the Energy Policy and Conservation Act of 1954 (42 U.S.C. 6303).

''(d) STATE RENEWABLE ENERGY ACCOUNT PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish, not later than December 31, 2008, a State renewable energy account program.

''(2) DEPOSITS.—All money collected by the Secretary from the sale of renewable energy credits and the assessment of civil penalties under this section shall be deposited into the renewable energy account established pursuant to this subsection. The State renewable energy account shall be held by the Secretary and shall not be transferred to the Treasury Department.

''(3) USE.—Proceeds deposited in the State renewable energy account shall be used by the Secretary, subject to appropriations, for a program to provide grants to the State agency responsible for developing State energy conservation plans under section 362 of the Energy Policy and Conservation Act (42 U.S.C. 6322) for the purposes of promoting renewable energy production, including programs that promote technologies that reduce the use of electricity at customer sites such as solar water heating.

''(4) ADMINISTRATION.—The Secretary may issue guidelines and criteria for grants awarded under this subsection. State energy offices receiving grants under this section shall maintain such records and evidence of compliance as the Secretary may require.

''(5) PREFERENCE.—In allocating funds under this program, the Secretary shall give preference—

''(A) to States in regions which have a disproportionately small share of economically sustainable renewable energy generation capacity; and

''(B) to State programs to stimulate or enhance innovative renewable energy technologies.

''(e) RULES.—The Secretary shall issue rules implementing this section not later than 1 year after the date of enactment of this section.

''(f) EXEMPTIONS.—This section shall not apply in any calendar year to an electric utility—

''(1) that sold less than 4,000,000 megawatt-hours of electric energy to electric consumers during the preceding calendar year; or

''(2) in Hawaii.

''(g) INFLATION ADJUSTMENT.—Not later than December 31 of each year beginning in 2008, the Secretary shall adjust for inflation the price of a renewable energy credit under subsection (b)(2)(B) and the amount of the civil penalty per kilowatt-hour under subsection (c)(2).

''(h) STATE PROGRAMS.—Nothing in this section shall diminish any authority of a State or political subdivision thereof to adopt or enforce any law or regulation respecting renewable energy, but, except as provided in subsection (c)(3), no such law or regulation shall relieve any person of any requirement otherwise applicable under this section. The Secretary, in consultation with States having such renewable energy programs, shall, to the maximum extent practicable, facilitate coordination between the Federal program and State programs.

''(i) RECOVERY OF COSTS.—

''(1) IN GENERAL.—The Commission shall issue and enforce such regulations as are necessary to ensure that an electric utility recovers all prudently incurred costs associated with compliance with this section.

''(2) APPLICABLE LAW.—A regulation under paragraph (1) shall be enforceable in accordance with the provisions of law applicable to enforcement of regulations under the Federal Power Act (16 U.S.C. 791a et seq.).

''(j) DEFINITIONS.—In this section:

''(1) BASE AMOUNT OF ELECTRICITY.—The term 'base amount of electricity' means the total amount of electricity sold by an electric utility to electric consumers in a calendar year, excluding—

''(A) electricity generated by a hydroelectric facility (including a pumped storage facility but excluding incremental hydropower); and

''(B) electricity generated through the incineration of municipal solid waste.

''(2) DISTRIBUTED GENERATION FACILITY.—The term 'distributed generation facility' means a facility at a customer site.

''(3) EXISTING RENEWABLE ENERGY.—The term 'existing renewable energy' means, except as provided in paragraph (7)(B), electric energy generated at a facility (including a distributed generation facility) placed in service prior to January 1, 2003, from solar, wind, or geothermal energy, ocean energy, biomass (as defined in section 203(a) of the Energy Policy Act of 2005), or landfill gas.

''(4) GEOTHERMAL ENERGY.—The term 'geothermal energy' means energy derived from a geothermal deposit (within the meaning of section 613(e)(2) of the Internal Revenue Code of 1986).

''(5) INCREMENTAL GEOTHERMAL PRODUCTION.—

''(A) IN GENERAL.—The term 'incremental geothermal production' means for any year the excess of—

''(i) the total kilowatt hours of electricity produced from a facility (including a distributed generation facility) using geothermal energy; over

''(ii) the average annual kilowatt hours produced at such facility for 5 of the previous 7 calendar years before the date of enactment of this section after eliminating the highest and the lowest kilowatt hour production years in such 7-year period.

''(B) SPECIAL RULE.—A facility described in subparagraph (A) that was placed in service at least 7 years before the date of enactment of this section shall commencing with the year in which such date of enactment occurs, reduce the amount calculated under subparagraph (A)(ii) each year, on a cumulative basis, by the average percentage decrease in the annual kilowatt hour production for the 7-year period described in subparagraph (A)(ii) with such cumulative sum not to exceed 30 percent.

''(6) INCREMENTAL HYDROPOWER.—The term 'incremental hydropower' means additional energy generated as a result of efficiency improvements or capacity additions made on or after the date of enactment of this section or the effective date of an existing applicable State renewable portfolio standard program at a hydroelectric facility that was placed in service before that date. The term does not include additional energy generated as a result of operational changes not directly associated with efficiency improvements or capacity additions. Efficiency improvements and capacity additions shall be measured on the basis of the same water flow information used to determine a historic average annual generation baseline for the hydroelectric facility and certified by the Secretary or the Federal Energy Regulatory Commission.

''(7) NEW RENEWABLE ENERGY.—The term 'new renewable energy' means—

''(A) electric energy generated at a facility (including a distributed generation facility) placed in service on or after January 1, 2003, from—

''(i) solar, wind, or geothermal energy or ocean energy;

''(ii) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(iii) landfill gas; or

''(iv) incremental hydropower; and

''(B) for electric energy generated at a facility (including a distributed generation facility) placed in service prior to the date of enactment of this section—

''(i) the additional energy above the average generation in the 3 years preceding the date of enactment of this section at the facility from—

''(I) solar or wind energy or ocean energy;

''(II) biomass (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b));

''(III) landfill gas; or

''(IV) incremental hydropower.

''(ii) incremental geothermal production.

''(8) OCEAN ENERGY.—The term 'ocean energy' includes current, wave, tidal, and thermal energy.

''(k) SUNSET.—This section expires on December 31, 2030.''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. prec. 2601) is amended by adding at the end of the items relating to title VI the following:

''Sec. 610. Federal renewable portfolio standard.''.

SEC. 302. FEDERAL REQUIREMENT TO PURCHASE ELECTRICITY GENERATED BY RENEWABLE ENERGY.

Section 203 of the Energy Policy Act of 2005 (42 U.S.C. 15852) is amended by striking subsection (a) and inserting the following:

''(a) REQUIREMENT.—The President, acting through the Secretary, shall ensure that, of the total quantity of electric energy the Federal Government consumes during any fiscal year, the following amounts shall be renewable energy:

''(1) Not less than 5 percent in each of fiscal years 2008 and 2009.

''(2) Not less than 7.5 percent in each of fiscal years 2010 through 2012.

''(3) Not less than 10 percent in fiscal years 2013 and each fiscal year thereafter.''.

TITLE IV—GENERAL ENERGY EFFICIENCY PROGRAMS

SEC. 401. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) RETENTION OF SAVINGS.—Section 546(c) of the National Energy Conservation Policy Act (42 U.S.C. 8256(c)) is amended by striking paragraph (5).

(b) FINANCING FLEXIBILITY.—Section 801(a)(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)) is amended by adding at the end the following:

''(E) SEPARATE CONTRACTS.—In carrying out a contract under this title, a Federal agency may—

''(i) enter into a separate contract for energy services and conservation measures under the contract; and

''(ii) provide all or part of the financing necessary to carry out the contract.''.

(c) DEFINITION OF ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and indenting appropriately;

(2) by striking ''means a reduction'' and inserting ''means—

''(A) a reduction'';

(3) by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

''(B) the increased efficient use of an existing energy source by cogeneration or heat recovery, and installation of renewable energy systems;

''(C) the sale or transfer of electrical or thermal energy generated on-site, but in excess of Federal needs, to utilities or non-Federal energy users; and

''(D) the increased efficient use of existing water sources in interior or exterior applications.''.

(d) ENERGY AND COST SAVINGS IN NONBUILDING APPLICATIONS.—

(1) DEFINITIONS.—In this subsection:

(A) NONBUILDING APPLICATION.—The term ''nonbuilding application'' means—

(i) any class of vehicles, devices, or equipment that is transportable under the power of the applicable vehicle, device, or equipment by land, sea, or air and that consumes energy from any fuel source for the purpose of—

(I) that transportation; or

(II) maintaining a controlled environment within the vehicle, device, or equipment; and

(ii) any federally-owned equipment used to generate electricity or transport water.

(B) SECONDARY SAVINGS.—

(i) IN GENERAL.—The term ''secondary savings'' means additional energy or cost savings that are a direct consequence of the energy savings that result from the energy efficiency improvements that were financed and implemented pursuant to an energy savings performance contract.

(ii) INCLUSIONS.—The term ''secondary savings'' includes—

(I) energy and cost savings that result from a reduction in the need for fuel delivery and logistical support;

(II) personnel cost savings and environmental benefits; and

(III) in the case of electric generation equipment, the benefits of increased efficiency in the production of electricity, including revenues received by the Federal Government from the sale of electricity so produced.

(2) STUDY.—

(A) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary and the Secretary of Defense shall jointly conduct, and submit to Congress and the President a report of, a study of the potential for the use of energy savings performance contracts to reduce energy consumption and provide energy and cost savings in nonbuilding applications.

(B) REQUIREMENTS.—The study under this subsection shall include—

(i) an estimate of the potential energy and cost savings to the Federal Government, including secondary savings and benefits, from increased efficiency in nonbuilding applications;

(ii) an assessment of the feasibility of extending the use of energy savings performance contracts to nonbuilding applications, including an identification of any regulatory or statutory barriers to such use; and

(iii) such recommendations as the Secretary and Secretary of Defense determine to be appropriate.

SEC. 402. DEPLOYMENT OF NEW TECHNOLOGIES FOR HIGH-EFFICIENCY CONSUMER PRODUCTS.

(a) DEFINITIONS.—In this section:

(1) ENERGY SAVINGS.—The term ''energy savings'' means megawatt-hours of electricity or million British thermal units of natural gas saved by a product, in comparison to projected energy consumption under the energy efficiency standard applicable to the product.

(2) HIGH-EFFICIENCY CONSUMER PRODUCT.—The term ''high-efficiency consumer product'' means a covered product to which an energy conservation standard applies under section 325 of the Energy Policy and Conservation Act (42 U.S.C. 6295), if the energy efficiency of the product exceeds the energy efficiency required under the standard.

(b) FINANCIAL INCENTIVES PROGRAM.—Effective beginning October 1, 2006, the Secretary shall competitively award financial incentives under this section for the manufacture of high-efficiency consumer products.

(c) REQUIREMENTS.—

(1) IN GENERAL.—The Secretary shall make awards under this section to manufacturers of high-efficiency consumer products, based on the bid of each manufacturer in terms of dollars per megawatt-hour or million British thermal units saved.

(2) ACCEPTANCE OF BIDS.—In making awards under this section, the Secretary shall—

(A) solicit bids for reverse auction from appropriate manufacturers, as determined by the Secretary; and

(B) award financial incentives to the manufacturers that submit the lowest bids that meet the requirements established by the Secretary.

(d) FORMS OF AWARDS.—An award for a high-efficiency consumer product under this section shall be in the form of a lump sum payment in an amount equal to the product obtained by multiplying—

(1) the amount of the bid by the manufacturer of the high-efficiency consumer product; and

(2) the energy savings during the projected useful life of the high-efficiency consumer product, not to exceed 10 years, as determined under regulations issued by the Secretary.

SEC. 403. NATIONAL MEDIA CAMPAIGN TO DECREASE OIL AND NATURAL GAS CONSUMPTION.

(a) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the ''Secretary''), shall develop and conduct a national media campaign for the purpose of decreasing oil and natural gas consumption in the United States over the next decade.

(b) CONTRACT WITH ENTITY.—The Secretary shall carry out subsection (a) directly or through—

(1) competitively bid contracts with 1 or more nationally recognized media firms for

the development and distribution of monthly television, radio, and newspaper public service announcements; or

(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Amounts made available to carry out this section shall be used for the following:

(A) ADVERTISING COSTS.—

(i) The purchase of media time and space.

(ii) Creative and talent costs.

(iii) Testing and evaluation of advertising.

(iv) Evaluation of the effectiveness of the media campaign.

(v) The negotiated fees for the winning bidder on requests from proposals issued either by the Secretary for purposes otherwise authorized in this section.

(vi) Entertainment industry outreach, interactive outreach, media projects and activities, public information, news media outreach, and corporate sponsorship and participation.

(B) ADMINISTRATIVE COSTS.—Operational and management expenses.

(2) LIMITATIONS.—In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).

(d) REPORTS.—The Secretary shall annually submit to Congress a report that describes—

(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—

(A) determinations concerning the rate of change of oil and natural gas consumption, in both absolute and per capita terms; and

(B) an evaluation that enables consideration whether the media campaign contributed to reduction of oil and natural gas consumption;

(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and focus of the campaign;

(3) plans to purchase advertising time and space;

(4) policies and practices implemented to ensure that Federal funds are used responsibly to purchase advertising time and space and eliminate the potential for waste, fraud, and abuse; and

(5) all contracts or cooperative agreements entered into with a corporation, partnership, or individual working on behalf of the national media campaign.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010.

SEC. 404. ENERGY EFFICIENCY RESOURCE PROGRAMS.

(a) ELECTRIC UTILITY PROGRAMS.—Section 111 of the Public Utilities Regulatory Policy Act of 1978 (16 U.S.C. 2621) is amended by adding at the end the following:

''(e) ENERGY EFFICIENCY RESOURCE PROGRAMS.—

''(1) DEFINITIONS.—In this subsection:

''(A) DEMAND BASELINE.—The term 'demand baseline' means the baseline determined by the Secretary for an appropriate period preceding the implementation of an energy efficiency resource program.

''(B) ENERGY EFFICIENCY RESOURCE PROGRAMS.—The term 'energy efficiency resource program' means an energy efficiency or other demand reduction program that is designed to reduce annual electricity consumption or peak demand of consumers served by an electric utility by a percentage of the demand baseline of the utility that is equal to not less than 0.75 percent of the number of years during which the program is in effect.

''(2) PUBLIC HEARINGS; DETERMINATIONS.—

''(A) PUBLIC HEARING.—As soon as practicable after the date of enactment of this subsection, but not later than 3 years after that date, each State regulatory authority (with respect to each electric utility over which the State has ratemaking authority) and each nonregulated electric utility shall, after notice, conduct a public hearing on the benefits and feasibility of carrying out an energy efficiency resource program.

''(B) ENERGY EFFICIENCY RESOURCE PROGRAM.—A State regulatory authority or nonregulated utility shall carry out an energy efficiency resource program if, on the basis of a hearing under subparagraph (A), the State regulatory authority or nonregulated utility determines that the program would—

''(i) benefit end-use customers;

''(ii) be cost-effective based on total resource cost;

''(iii) serve the public welfare; and

''(iv) be feasible to carry out.

''(3) IMPLEMENTATION.—

''(A) STATE REGULATORY AUTHORITIES.—If a State regulatory authority makes a determination under paragraph (2)(B), the State regulatory authority shall—

''(i) require each electric utility over which the State has ratemaking authority to carry out an energy efficiency resource program; and

''(ii) allow such a utility to recover expenditures incurred by the utility in carrying out the energy efficiency resource program.

''(B) NONREGULATED ELECTRIC UTILITIES.—If a nonregulated electric utility makes a determination under paragraph (2)(B), the utility shall carry out an energy efficiency resource program.

''(4) UPDATING REGULATIONS.—A State regulatory authority or nonregulated utility may update periodically a determination under paragraph (2)(B) to determine whether an energy efficiency resource program should be—

''(A) continued;

''(B) modified; or

''(C) terminated.

''(5) EXCEPTION.—Paragraph (2) shall not apply to a State regulatory authority (or a nonregulated electric utility operating in the State) that demonstrates to the Secretary that an energy efficiency resource program is in effect in the State.''.

(b) GAS UTILITIES.—Section 303 of the Public Utilities Regulatory Policy Act of 1978 (15 U.S.C. 3203) is amended by adding at the end the following:

''(e) ENERGY EFFICIENCY RESOURCE PROGRAMS.—

''(1) DEFINITIONS.—In this subsection:

''(A) DEMAND BASELINE.—The term 'demand baseline' means the baseline determined by the Secretary for an appropriate period preceding the implementation of an energy efficiency resource program.

''(B) ENERGY EFFICIENCY RESOURCE PROGRAMS.—The term 'energy efficiency resource program' means an energy efficiency or other demand reduction program that is designed to reduce annual gas consumption or peak demand of consumers served by a gas utility by a percentage of the demand baseline of the utility that is equal to not less than 0.75 percent of the number of years during which the program is in effect.

''(2) PUBLIC HEARINGS; DETERMINATIONS.—

''(A) PUBLIC HEARING.—As soon as practicable after the date of enactment of this subsection, but not later than 3 years after that date, each State regulatory authority (with respect to each gas utility over which the State has ratemaking authority) and each nonregulated gas utility shall, after notice, conduct a public hearing on the benefits and feasibility of carrying out an energy efficiency resource program.

''(B) ENERGY EFFICIENCY RESOURCE PROGRAM.—A State regulatory authority or nonregulated utility shall carry out an energy efficiency resource program if, on the basis of a hearing under subparagraph (A), the State regulatory authority or nonregulated utility determines that the program would—

''(i) benefit end-use customers;

''(ii) be cost-effective based on total resource cost;

''(iii) serve the public welfare; and

''(iv) be feasible to carry out.

''(3) IMPLEMENTATION.—

''(A) STATE REGULATORY AUTHORITIES.—If a State regulatory authority makes a determination under paragraph (2)(B), the State regulatory authority shall—

''(i) require each gas utility over which the State has ratemaking authority to carry out an energy efficiency resource program; and

''(ii) allow such a utility to recover expenditures incurred by the utility in carrying out the energy efficiency resource program.

''(B) NONREGULATED GAS UTILITIES.—If a nonregulated gas utility makes a determination under paragraph (2)(B), the utility shall carry out an energy efficiency resource program.

''(4) UPDATING REGULATIONS.—A State regulatory authority or nonregulated utility may update periodically a determination under paragraph (2)(B) to determine whether an energy efficiency resource program should be—

''(A) continued;

''(B) modified; or

''(C) terminated.

''(5) EXCEPTION.—Paragraph (2) shall not apply to a State regulatory authority (or a nonregulated gas utility operating in the State) that demonstrates to the Secretary that an energy efficiency resource program is in effect in the State.''.

TITLE V—ASSISTANCE TO ENERGY CONSUMERS

SEC. 501. ENERGY EMERGENCY DISASTER RELIEF LOANS TO SMALL BUSINESS AND AGRICULTURAL PRODUCERS.

(a) DEFINITIONS.—In this section—

(1) the term ''Administrator'' means the Administrator of the Small Business Administration; and

(2) the term ''small business concern'' has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632).

(b) SMALL BUSINESS PRODUCER ENERGY EMERGENCY DISASTER LOAN PROGRAM.—

(1) DISASTER LOAN AUTHORITY.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (3) the following:

''(4) ENERGY DISASTER LOANS.—

''(A) DEFINITIONS.—In this paragraph—

''(i) the term 'base price index' means the moving average of the closing unit price on the New York Mercantile Exchange for heating oil, natural gas, gasoline, or propane for the 10 days that correspond to the trading days described in clause (ii) in each of the most recent 2 preceding years;

''(ii) the term 'current price index' means the moving average of the closing unit price on the New York Mercantile Exchange, for the 10 most recent trading days, for contracts to purchase heating oil, natural gas, gasoline, or propane during the subsequent calendar month, commonly known as the 'front month'; and

''(iii) the term 'significant increase' means—

''(I) with respect to the price of heating oil, natural gas, gasoline, or propane, any time the current price index exceeds the base price index by not less than 40 percent; and

''(II) with respect to the price of kerosene, any increase which the Administrator, in consultation with the Secretary of Energy, determines to be significant.

''(B) LOAN AUTHORITY.—The Administrator may make such loans, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, to assist a small business concern that has suffered or that is likely to suffer substantial economic injury on or after January 1, 2005, as the result of a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene occurring on or after January 1, 2005.

''(C) INTEREST RATE.—Any loan or guarantee extended pursuant to this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2).

''(D) MAXIMUM AMOUNT.—No loan may be made under this paragraph, either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis, if the total amount outstanding and committed to the borrower under this subsection would exceed $1,500,000, unless such borrower constitutes a major source of employment in its surrounding area, as determined by the Administrator, in which case the Administrator, in the discretion of the Administrator, may waive the $1,500,000 limitation.

''(E) DISASTER DECLARATION.—For purposes of assistance under this paragraph—

''(i) a declaration of a disaster area based on conditions specified in this paragraph shall be required, and shall be made by the President or the Administrator; or

''(ii) if no declaration has been made pursuant to clause (i), the Governor of a State in which a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene has occurred may certify to the Administrator that small business concerns have suffered economic injury as a result of such increase and are in need of financial assistance which is not otherwise available on reasonable terms in that State, and upon receipt of such certification, the Administrator may make such loans as would have been available under this paragraph if a disaster declaration had been issued.

''(F) CONVERSION.—Notwithstanding any other provision of law, loans made under this paragraph may be used by a small business concern described in subparagraph (B) to convert from the use of heating oil, natural gas, gasoline, propane, or kerosene to a renewable or alternative energy source, including agriculture and urban waste, geothermal energy, cogeneration, solar energy, wind energy, or fuel cells.''.

(2) CONFORMING AMENDMENTS.—Section 3(k) of the Small Business Act (15 U.S.C. 632(k)) is amended—

(A) by inserting '', a significant increase in the price of heating oil, natural gas, gasoline, propane, or kerosene,'' after ''civil disorders''; and

(B) by inserting ''other'' before ''economic''.

(c) AGRICULTURAL PRODUCER EMERGENCY LOANS.—

(1) IN GENERAL.—Section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) is amended—

(A) in the first sentence—

(i) by striking ''aquaculture operations have'' and inserting ''aquaculture operations (i) have''; and

(ii) by inserting before '': *Provided,*'' the following: '', or (ii)(I) are owned or operated by such an applicant that is also a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), and (II) have suffered or are likely to suffer substantial economic injury on or after January 1, 2005, as the result of a significant increase in energy costs or input costs from energy sources occurring on or after January 1, 2005, in connection with an energy emergency declared by the President or the Secretary'';

(B) in the third sentence, by inserting before the period at the end the following: ''or by an energy emergency declared by the President or the Secretary''; and

(C) in the fourth sentence—

(i) by striking ''or natural disaster'' each place that term appears and inserting '', natural disaster, or energy emergency''; and

(ii) by inserting ''or declaration'' after ''emergency designation''.

(2) FUNDING.—Funds available on the date of enactment of this Act for emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.) shall be available to carry out the amendments made by paragraph (1) to meet the needs resulting from natural disasters.

(d) GUIDELINES AND RULEMAKING.—

(1) GUIDELINES.—Not later than 30 days after the date of enactment of this Act, the Administrator and the Secretary of Agriculture shall each issue guidelines to carry out subsections (b) and (c), respectively, and the amendments made thereby, which guidelines shall become effective on the date of their issuance.

(2) RULEMAKING.—Not later than 30 days after the date of enactment of this Act, the Administrator, after consultation with the Secretary of Energy, shall promulgate regulations specifying the method for determining a significant increase in the price of kerosene under section 7(b)(4)(A)(iii)(II) of the Small Business Act, as added by this section.

(e) REPORTS.—

(1) SMALL BUSINESS ADMINISTRATION.—Not later than 12 months after the date on which the Administrator issues guidelines under subsection (d)(1), and annually thereafter, until the date that is 12 months after the end of the effective period of section 7(b)(4) of the Small Business Act, as added by this section, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, a report on the effectiveness of the assistance made available under section 7(b)(4) of the Small Business Act, as added by this section, including—

(A) the number of small business concerns that applied for a loan under such section 7(b)(4) and the number of those that received such loans;

(B) the dollar value of those loans;

(C) the States in which the small business concerns that received such loans are located;

(D) the type of energy that caused the significant increase in the cost for the participating small business concerns; and

(E) recommendations for ways to improve the assistance provided under such section 7(b)(4), if any.

(2) DEPARTMENT OF AGRICULTURE.—Not later than 12 months after the date on which the Secretary of Agriculture issues guidelines under subsection (d)(1), and annually thereafter, until the date that is 12 months after the end of the effective period of the amendments made to section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)) by this section, the Secretary shall submit to the Committee on Small Business and Entrepreneurship and the Committee on Agriculture, Nutrition, and Forestry of the Senate and to the Committee on Small Business and the Committee on Agriculture of the House of Representatives, a report that—

(A) describes the effectiveness of the assistance made available under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)), as amended by this section; and

(B) contains recommendations for ways to improve the assistance provided under such section 321(a).

(f) EFFECTIVE DATE.—

(1) SMALL BUSINESS.—The amendments made by subsection (b) shall apply during the 4-year period beginning on the earlier of the date on which guidelines are published by the Administrator under subsection (d)(1) or 30 days after the date of enactment of this Act, with respect to assistance under section 7(b)(4) of the Small Business Act, as added by this section.

(2) AGRICULTURE.—The amendments made by subsection (c) shall apply during the 4-year period beginning on the earlier of the date on which guidelines are published by the Secretary of Agriculture under subsection (d)(1) or 30 days after the date of enactment of this Act, with respect to assistance under section 321(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961(a)), as amended by this section.

SEC. 502. EFFICIENT AND SAFE EQUIPMENT REPLACEMENT PROGRAM FOR WEATHERIZATION PURPOSES.

(a) IN GENERAL.—Part A of title IV of the Energy Conservation and Production Act is amended—

(1) by redesignating section 422 (42 U.S.C. 6872) as section 423; and

(2) by inserting after section 421 (42 U.S.C. 6871) the following:

''SEC. 422. EFFICIENT AND SAFE EQUIPMENT REPLACEMENT PROGRAM FOR WEATHERIZATION PURPOSES.

''(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish, within the Weatherization Assistance Program, a program to assist in the replacement of unsafe or highly inefficient heating and cooling units in low-income households.

''(b) ADMINISTRATION.—

''(1) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary shall administer the program established under this section in accordance with this part.

''(2) EXEMPTION FOR HIGH-EFFICIENCY HEATING AND COOLING EQUIPMENT EXPENDITURES.—Assistance for high-efficiency heating and cooling equipment under this section shall be exempt from the standards established under section 413(b)(3) and from section 415(c).

''(3) IDENTIFICATION OF HEATING AND COOLING SYSTEM UPGRADES.—Assistance for system upgrades under this section shall be based on a standard weatherization audit and appropriate diagnostic procedures in use by the program.

''(4) WEATHERIZATION OF HOME RECEIVING NEW HEATING OR COOLING SYSTEM.—Assistance may be perceived for a home receiving a new heating or cooling system under this section regardless of whether the home is fully weatherized in the year that the home received a new heating system.

''(5) FUEL.—The Secretary shall make no rule prohibiting a grantee from installing high-efficiency equipment that uses a fuel (including a renewable fuel) most likely to result in reliable supply and the lowest practicable energy bills, regardless of the fuel previously used by the household.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

''(1) $40,000,000 for fiscal year 2006;

''(2) $50,000,000 for fiscal year 2007; and

''(3) $60,000,000 for fiscal year 2008.''.

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Conservation and Production Act (42 U.S.C. prec. 6901) is amended—

(1) by redesignating the item relating to section 422 as an item relating to section 423; and

(2) by inserting after the item relating to section 421 the following:

''Sec. 422. Efficient and safe equipment program.''.

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Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Enhanced Energy Security Tax Incentives Act of 2006''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

TITLE I—EXTENSION OF INCENTIVES

SEC. 101. EXTENSION OF CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

Section 45(d) (relating to qualified facilities) is amended by striking ''2008'' each place it appears and inserting ''2011''.

SEC. 102. EXTENSION AND EXPANSION OF CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

(a) IN GENERAL.—Section 54(m) (relating to termination) is amended by striking ''2007'' and inserting ''2010''.

(b) ANNUAL VOLUME CAP FOR BONDS ISSUED DURING EXTENSION PERIOD.—Paragraph (1) of section 54(f) (relating to limitation on amount of bonds designated) is amended to read as follows:

''(1) NATIONAL LIMITATION.—

''(A) INITIAL NATIONAL LIMITATION.—With respect to bonds issued after December 31, 2005, and before January 1, 2008, there is a national clean renewable energy bond limitation of $800,000,000.

''(B) ANNUAL NATIONAL LIMITATION.—With respect to bonds issued after December 31, 2007, and before January 1, 2011, there is a national clean renewable energy bond limitation for each calendar year of $800,000,000.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after the date of the enactment of this Act.

SEC. 103. EXTENSION OF ENERGY EFFICIENT COMMERCIAL BUILDINGS DEDUCTION.

Section 179D(h) (relating to termination) is amended by striking ''2007'' and inserting ''2010''.

SEC. 104. EXTENSION AND EXPANSION OF NEW ENERGY EFFICIENT HOME CREDIT.

(a) EXTENSION.—Section 45L(g) (relating to termination) is amended by striking ''2007'' and inserting ''2010''.

(b) INCLUSION OF 30 PERCENT HOMES.—

(1) IN GENERAL.—Section 45L(c) (relating to energy saving requirements) is amended—

(A) by striking ''or'' at the end of paragraph (2),

(B) by redesignating paragraph (3) as paragraph (4), and

(C) by inserting after paragraph (2) the following new paragraph:

''(3) certified—

''(A) to have a level of annual heating and cooling energy consumption which is at least 30 percent below the annual level described in paragraph (1), and

''(B) to have building envelope component improvements account for at least ⅓ of such 30 percent, or''.

(2) APPLICABLE AMOUNT OF CREDIT.—Section 45L(a)(2) is amended by striking ''paragraph (3)'' and inserting ''paragraph (3) or (4)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to qualified new energy efficient homes acquired after the date of the enactment of this Act.

SEC. 105. EXTENSION OF NONBUSINESS ENERGY PROPERTY CREDIT.

Section 25C(g) (relating to termination) is amended by striking ''2007'' and inserting ''2010''.

SEC. 106. EXTENSION OF RESIDENTIAL ENERGY EFFICIENT PROPERTY CREDIT.

Section 25D(g) (relating to termination) is amended by striking ''2007'' and inserting ''2010''.

SEC. 107. EXTENSION OF CREDIT FOR BUSINESS INSTALLATION OF QUALIFIED FUEL CELLS AND STATIONARY MICROTURBINE POWER PLANTS.

Sections 48(c)(1)(E) and 48(c)(2)(E) (relating to termination) are each amended by striking ''2007'' and inserting ''2010''.

SEC. 108. EXTENSION OF BUSINESS SOLAR INVESTMENT TAX CREDIT.

Sections 48(a)(2)(A)(i)(II) and 48(a)(3)(A)(ii) (relating to termination) are each amended by striking ''2008'' and inserting ''2011''.

SEC. 109. EXTENSION OF ALTERNATIVE FUEL EXCISE TAX PROVISIONS, INCOME TAX CREDITS, AND TARIFF DUTIES.

(a) BIODIESEL.—Sections 40A(g), 6426(c)(6), and 6427(e)(5)(B) are each amended by striking ''2008'' and inserting ''2010''.

(b) ALTERNATIVE FUEL.—

(1) FUELS.—Sections 6426(d)(4) and 6427(e)(5)(C) are each amended by striking ''September 30, 2009'' and inserting ''December 31, 2010''.

(2) REFUELING PROPERTY.—Section 30C(g) is amended by striking ''2009'' and inserting ''2010''.

(c) ETHANOL TARIFF SCHEDULE.—Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are each amended in the effective period column by striking ''10/1/2007'' each place it appears and inserting ''1/1/2011''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2007.

SEC. 110. EXTENSION OF FULL CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30(e) is amended by striking ''2006'' and inserting ''2010''.

(b) REPEAL OF PHASEOUT.—Section 30(b) (relating to limitations) is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(c) CREDIT ALLOWABLE AGAINST ALTERNATIVE MINIMUM TAX.—Paragraph (2) of section 30(b), as redesignated by subsection (b), is amended to read as follows:

''(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) for any taxable year shall not exceed the excess (if any) of—

''(A) the sum of the regular tax for the taxable year plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under subpart A and section 27.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

TITLE II—INCENTIVES FOR ALTERNATIVE FUEL VEHICLES

SEC. 201. CONSUMER INCENTIVES TO PURCHASE ADVANCED TECHNOLOGY VEHICLES.

(a) ELIMINATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED LEAN BURN TECHNOLOGY VEHICLES ELIGIBLE FOR ALTERNATIVE MOTOR VEHICLE CREDIT.—

(1) IN GENERAL.—Section 30B is amended by striking subsection (f) and by redesignating subsections (g) through (j) as subsections (f) through (i), respectively.

(2) CONFORMING AMENDMENTS.—

(A) Paragraphs (4) and (6) of section 30B(h) are each amended by striking ''(determined without regard to subsection (g))'' and inserting ''determined without regard to subsection (f))''.

(B) Section 38(b)(25) is amended by striking ''section 30B(g)(1)'' and inserting ''section 30B(f)(1)''.

(C) Section 55(c)(2) is amended by striking ''section 30B(g)(2)'' and inserting ''section 30B(f)(2)''.

(D) Section 1016(a)(36) is amended by striking ''section 30B(h)(4)'' and inserting ''section 30B(g)(4)''.

(E) Section 6501(m) is amended by striking ''section 30B(h)(9)'' and inserting ''section 30B(g)(9)''.

(b) EXTENSION OF ALTERNATIVE VEHICLE CREDIT FOR NEW QUALIFIED HYBRID MOTOR VEHICLES.—Paragraph (3) of section 30B(i) (as redesignated by subsection (a)) is amended by striking ''December 31, 2009'' and inserting ''December 31, 2010''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

SEC. 202. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following new section:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

''(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of so much of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $75,000,000.

''(b) QUALIFIED INVESTMENT.—For purposes of this section—

''(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

''(A) to re-equip, expand, or establish any manufacturing facility in the United States of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

''(B) for engineering integration performed in the United States of such vehicles and components as described in subsection (d),

''(C) for research and development performed in the United States related to advanced technology motor vehicles and eligible components, and

''(D) for employee retraining with respect to the manufacturing of such vehicles or components (determined without regard to wages or salaries of such retrained employees).

''(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

''(c) ADVANCED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

''(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term 'advanced technology motor vehicle' means—

''(A) any qualified electric vehicle (as defined in section 30(c)(1)),

''(B) any new qualified fuel cell motor vehicle (as defined in section 30B(b)(3)),

''(C) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)),

''(D) any new qualified hybrid motor vehicle (as defined in section 30B(d)(2)(A) and determined without regard to any gross vehicle weight rating),

''(E) any new qualified alternative fuel motor vehicle (as defined in section 30B(e)(4), including any mixed-fuel vehicle (as defined in section 30B(e)(5)(B)), and

''(F) any other motor vehicle using electric drive transportation technology (as defined in paragraph (3)).

''(2) ELIGIBLE COMPONENTS.—The term 'eligible component' means any component inherent to any advanced technology motor vehicle, including—

''(A) with respect to any gasoline or diesel-electric new qualified hybrid motor vehicle—

''(i) electric motor or generator,

''(ii) power split device,

''(iii) power control unit,

''(iv) power controls,

''(v) integrated starter generator, or

''(vi) battery,

''(B) with respect to any hydraulic new qualified hybrid motor vehicle—

''(i) hydraulic accumulator vessel,

''(ii) hydraulic pump, or

''(iii) hydraulic pump-motor assembly,

''(C) with respect to any new advanced lean burn technology motor vehicle—

''(i) diesel engine,

''(ii) turbocharger,

''(iii) fuel injection system, or

''(iv) after-treatment system, such as a particle filter or NOx absorber, and

''(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

''(3) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term 'electric drive transportation technology' means technology used by vehicles that use an electric motor for all or part of their motive power and that may or may not use off-board electricity, such as battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, and plug-in hybrid fuel cell vehicles.

''(d) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (b)(1)(B), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

''(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

''(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

''(3) designing cost effective, efficient, and reliable manufacturing processes to produce components and subsystems for a specific vehicle application, and

''(4) validating functionality and performance of components and subsystems for a specific vehicle application.

''(e) ELIGIBLE TAXPAYER.—For purposes of this section, the term 'eligible taxpayer' means any taxpayer if more than 50 percent of its gross receipts for the taxable year is derived from the manufacture of motor vehicles or any component parts of such vehicles.

''(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

''(1) the sum of—

''(A) the regular tax liability (as defined in section 26(b)) for such taxable year, plus

''(B) the tax imposed by section 55 for such taxable year and any prior taxable year beginning after 1986 and not taken into account under section 53 for any prior taxable year, over

''(2) the sum of the credits allowable under subpart A and sections 27, 30, and 30B for the taxable year.

''(g) REDUCTION IN BASIS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

''(h) NO DOUBLE BENEFIT.—

''(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for any cost taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

''(2) RESEARCH AND DEVELOPMENT COSTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), any amount described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

''(B) COSTS TAKEN INTO ACCOUNT IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any amounts described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

''(i) BUSINESS CARRYOVERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

''(j) SPECIAL RULES.—For purposes of this section, rules similar to the rules of section 179A(e)(4) and paragraphs (1) and (2) of section 41(f) shall apply

''(k) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

''(l) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

''(m) TERMINATION.—This section shall not apply to any qualified investment after December 31, 2010.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) is amended by striking ''and'' at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting '', and'', and by adding at the end the following new paragraph:

''(38) to the extent provided in section 30D(g).''.

(2) Section 6501(m) is amended by inserting ''30D(k),'' after ''30C(e)(5),''.

(3) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30C the following new item:

''Sec. 30D. Advanced technology motor vehicles manufacturing credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts incurred in taxable years beginning after December 31, 2005.

SEC. 203. TAX INCENTIVES FOR PRIVATE FLEETS.

(a) IN GENERAL.—Subpart E of part IV of subchapter A of chapter 1 is amended by inserting after section 48B the following new section:

"SEC. 48C. FUEL-EFFICIENT FLEET CREDIT.

''(a) GENERAL RULE.—For purposes of section 46, the fuel-efficient fleet credit for any taxable year is 15 percent of the qualified fuel-efficient vehicle investment amount of an eligible taxpayer for such taxable year.

''(b) VEHICLE PURCHASE REQUIREMENT.—In the case of any eligible taxpayer which places less than 10 qualified fuel-efficient vehicles in service during the taxable year, the qualified fuel-efficient vehicle investment amount shall be zero.

''(c) QUALIFIED FUEL-EFFICIENT VEHICLE INVESTMENT AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified fuel-efficient vehicle investment amount' means the basis of any qualified fuel-efficient vehicle placed in service by an eligible taxpayer during the taxable year.

''(2) QUALIFIED FUEL-EFFICIENT VEHICLE.—The term 'qualified fuel-efficient vehicle' means an automobile which has a fuel economy which is at least 125 percent greater than the average fuel economy standard for an automobile of the same class and model year.

''(3) OTHER TERMS.—The terms 'automobile', 'average fuel economy standard', 'fuel economy', and 'model year' have the meanings given to such terms under section 32901 of title 49, United States Code.

''(d) ELIGIBLE TAXPAYER.—The term 'eligible taxpayer' means, with respect to any taxable year, a taxpayer who owns a fleet of 100 or more vehicles which are used in the trade or business of the taxpayer on the first day of such taxable year.

''(e) TERMINATION.—This section shall not apply to any vehicle placed in service after December 31, 2010.''.

(b) CREDIT TREATED AS PART OF INVESTMENT CREDIT.—Section 46 is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting '', and'', and by adding at the end the following new paragraph:

''(5) the fuel-efficient fleet credit.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 49(a)(1)(C) is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by adding at the end the following new clause:

''(v) the basis of any qualified fuel-efficient vehicle which is taken into account under section 48C.''.

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 48 the following new item:

''Sec. 48C. Fuel-efficient fleet credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2005, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 204. MODIFICATION OF ALTERNATIVE VEHICLE REFUELING PROPERTY CREDIT.

(a) INCREASE IN CREDIT AMOUNT.—Subsection (a) of section 30C is amended by striking ''30 percent'' and inserting ''50 percent''.

(b) CREDIT ALLOWABLE AGAINST ALTERNATIVE MINIMUM TAX.—Paragraph (2) of section 30C is amended to read as follows:

''(2) PERSONAL CREDIT.—The credit allowed under subsection (a) (after the application of paragraph (1)) for any taxable year shall not exceed the excess (if any) of—

''(A) the sum of the regular tax for the taxable year plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under subpart A and sections 27, 30, and 30B.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 205. INCLUSION OF HEAVY VEHICLES IN LIMITATION ON DEPRECIATION OF CERTAIN LUXURY AUTOMOBILES.

(a) IN GENERAL.—Section 280F(d)(5)(A) (defining passenger automobile) is amended—

(1) by striking clause (ii) and inserting the following new clause:

''(ii)(I) which is rated at 6,000 pounds unloaded gross vehicle weight or less, or

''(II) which is rated at more than 6,000 pounds but not more than 14,000 pounds gross vehicle weight.'',

(2) by striking ''clause (ii)'' in the second sentence and inserting ''clause (ii)(I)''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

SEC. 206. IDLING REDUCTION TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45N. IDLING REDUCTION CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, the idling reduction tax credit determined under this section for the taxable year is an amount equal to 25 percent of the amount paid or incurred for each qualifying idling reduction device placed in service by the taxpayer during the taxable year.

''(b) LIMITATION.—The maximum amount allowed as a credit under subsection (a) shall not exceed $1,000 per device.

''(c) DEFINITIONS.—For purposes of subsection (a)—

''(1) QUALIFYING IDLING REDUCTION DEVICE.—The term 'qualifying idling reduction device' means any device or system of devices that—

''(A) is installed on a heavy-duty diesel-powered on-highway vehicle,

''(B) is designed to provide to such vehicle those services (such as heat, air conditioning, or electricity) that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary,

''(C) the original use of which commences with the taxpayer,

''(D) is acquired for use by the taxpayer and not for resale, and

''(E) is certified by the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, to reduce long-duration idling of such vehicle at a motor vehicle rest stop or other location where such vehicles are temporarily parked or remain stationary.

''(2) HEAVY-DUTY DIESEL-POWERED ON-HIGHWAY VEHICLE.—The term 'heavy-duty diesel-powered on-highway vehicle' means any vehicle, machine, tractor, trailer, or semi-trailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the Federal Highway Administration.

''(3) LONG-DURATION IDLING.—The term 'long-duration idling' means the operation of a main drive engine, for a period greater than 15 consecutive minutes, where the main drive engine is not engaged in gear. Such term does not apply to routine stoppages associated with traffic movement or congestion.

''(d) NO DOUBLE BENEFIT.—For purposes of this section—

''(1) REDUCTION IN BASIS.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (a), the basis of such property shall be reduced by the amount of the credit so determined.

''(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.

''(e) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.

''(f) TERMINATION.—This section shall not apply to any property placed in service after December 31, 2010.''.

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 (relating to general business credit) is amended by striking ''and'' at the end of paragraph (29), by striking the period at the end of paragraph (30) and inserting '', plus'' , and by adding at the end the following new paragraph:

''(31) the idling reduction tax credit determined under section 45N(a).''.

(c) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 45M the following new item:

''Sec. 45N. Idling reduction credit''.

(2) Section 1016(a), as amended by this Act, is amended by striking ''and'' at the end of paragraph (37), by striking the period at the end of paragraph (38) and inserting '', and'', and by adding at the end the following:

''(39) in the case of a facility with respect to which a credit was allowed under section 45N, to the extent provided in section 45N(d)(A).''.

(3) Section 6501(m) is amended by inserting ''45N(e),'' after ''45D(c)(4),''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

(e) DETERMINATION OF CERTIFICATION STANDARDS BY SECRETARY OF ENERGY FOR CERTIFYING IDLING REDUCTION DEVICES.—Not later than 6 months after the date of the enactment of this Act and in order to reduce air pollution and fuel consumption, the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, shall publish the standards under which the Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, will, for purposes of section 45N of the Internal Revenue Code of 1986 (as added by this section), certify the idling reduction devices which will reduce long-duration idling of vehicles at motor vehicle rest stops or other locations where such vehicles are temporarily parked or remain stationary in order to reduce air pollution and fuel consumption.

TITLE III—ADDITIONAL INCENTIVES

SEC. 301. ENERGY CREDIT FOR COMBINED HEAT AND POWER SYSTEM PROPERTY.

(a) IN GENERAL.—Section 48(a)(3)(A) (defining energy property) is by striking ''or'' at the end of clause (iii), by inserting ''or'' at the end of clause (iv), and by adding at the end the following new clause:

''(v) combined heat and power system property,''.

(b) COMBINED HEAT AND POWER SYSTEM PROPERTY.—Section 48 is amended by adding at the end the following new subsection:

''(d) COMBINED HEAT AND POWER SYSTEM PROPERTY.—For purposes of subsection (a)(3)(A)(v)—

''(1) COMBINED HEAT AND POWER SYSTEM PROPERTY.—The term 'combined heat and power system property' means property comprising a system—

''(A) which uses the same energy source for the simultaneous or sequential generation of electrical power, mechanical shaft power, or both, in combination with the generation of steam or other forms of useful thermal energy (including heating and cooling applications),

''(B) which has an electrical capacity of not more than 15 megawatts or a mechanical energy capacity of not more than 2,000 horsepower or an equivalent combination of electrical and mechanical energy capacities,

''(C) which produces—

''(i) at least 20 percent of its total useful energy in the form of thermal energy which is not used to produce electrical or mechanical power (or combination thereof), and

''(ii) at least 20 percent of its total useful energy in the form of electrical or mechanical power (or combination thereof),

''(D) the energy efficiency percentage of which exceeds 60 percent, and

''(E) which is placed in service before January 1, 2011.

''(2) SPECIAL RULES.—

''(A) ENERGY EFFICIENCY PERCENTAGE.—For purposes of this subsection, the energy efficiency percentage of a system is the fraction—

''(i) the numerator of which is the total useful electrical, thermal, and mechanical power produced by the system at normal operating rates, and expected to be consumed in its normal application, and

''(ii) the denominator of which is the higher heating value of the primary fuel sources for the system.

''(B) DETERMINATIONS MADE ON BTU BASIS.—The energy efficiency percentage and the percentages under paragraph (1)(C) shall be determined on a Btu basis.

''(C) INPUT AND OUTPUT PROPERTY NOT INCLUDED.—The term 'combined heat and power system property' does not include property used to transport the energy source to the facility or to distribute energy produced by the facility.

''(D) CERTAIN EXCEPTION NOT TO APPLY.—The first sentence of the matter in subsection (a)(3) which follows subparagraph (D) thereof shall not apply to combined heat and power system property.

''(3) SYSTEMS USING BAGASSE.—If a system is designed to use bagasse for at least 90 percent of the energy source—

''(A) paragraph (1)(D) shall not apply, but

''(B) the amount of credit determined under subsection (a) with respect to such system shall not exceed the amount which bears the same ratio to such amount of credit (determined without regard to this paragraph) as the energy efficiency percentage of such system bears to 60 percent.

''(4) NONAPPLICATION OF CERTAIN RULES.—For purposes of determining if the term 'combined heat and power system property' includes technologies which generate electricity or mechanical power using back-pressure steam turbines in place of existing pressure-reducing valves or which make use of waste heat from industrial processes such as by using organic rankin, stirling, or kalina heat engine systems, paragraph (1) shall be applied without regard to subparagraphs (C) and (D) thereof .''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to periods after December 31, 2006, in taxable years ending after such date, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

SEC. 302. THREE-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED ENERGY MANAGEMENT DEVICES.

(a) IN GENERAL.—Section 168(e)(3)(A) (defining 3-year property) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) any qualified energy management device.''.

(b) DEFINITION OF QUALIFIED ENERGY MANAGEMENT DEVICE.—Section 168(i) (relating to definitions and special rules) is amended by inserting at the end the following new paragraph:

''(18) QUALIFIED ENERGY MANAGEMENT DEVICE.—

''(A) IN GENERAL.—The term 'qualified energy management device' means any energy management device which is placed in service before January 1, 2011, by a taxpayer who is a supplier of electric energy or a provider of electric energy services.

''(B) ENERGY MANAGEMENT DEVICE.—For purposes of subparagraph (A), the term 'energy management device' means any meter or metering device which is used by the taxpayer—

''(i) to measure and record electricity usage data on a time-differentiated basis in at least 4 separate time segments per day, and

''(ii) to provide such data on at least a monthly basis to both consumers and the taxpayer.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

SEC. 303. THREE-YEAR APPLICABLE RECOVERY PERIOD FOR DEPRECIATION OF QUALIFIED WATER SUBMETERING DEVICES.

(a) IN GENERAL.—Section 168(e)(3)(A) (defining 3-year property), as amended by this Act, is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by adding at the end the following new clause:

''(v) any qualified water submetering device.''.

(b) DEFINITION OF QUALIFIED WATER SUBMETERING DEVICE.—Section 168(i) (relating to definitions and special rules), as amended by this Act, is amended by inserting at the end the following new paragraph:

''(19) QUALIFIED WATER SUBMETERING DEVICE.—

''(A) IN GENERAL.—The term 'qualified water submetering device' means any water submetering device which is placed in service before January 1, 2011, by a taxpayer who is an eligible resupplier with respect to the unit for which the device is placed in service.

''(B) WATER SUBMETERING DEVICE.—For purposes of this paragraph, the term 'water submetering device' means any submetering device which is used by the taxpayer—

''(i) to measure and record water usage data, and

''(ii) to provide such data on at least a monthly basis to both consumers and the taxpayer.

''(C) ELIGIBLE RESUPPLIER.—For purposes of subparagraph (A), the term 'eligible resupplier' means any taxpayer who purchases and installs qualified water submetering devices in every unit in any multi-unit property.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

TITLE IV—REVENUE PROVISIONS

SEC. 401. REVALUATION OF LIFO INVENTORIES OF LARGE INTEGRATED OIL COMPANIES.

(a) GENERAL RULE.—Notwithstanding any other provision of law, if a taxpayer is an applicable integrated oil company for its last taxable year ending in calendar year 2005, the taxpayer shall—

(1) increase, effective as of the close of such taxable year, the value of each historic LIFO layer of inventories of crude oil, natural gas, or any other petroleum product (within the meaning of section 4611) by the layer adjustment amount, and

(2) decrease its cost of goods sold for such taxable year by the aggregate amount of the increases under paragraph (1).

If the aggregate amount of the increases under paragraph (1) exceed the taxpayer's cost of goods sold for such taxable year, the taxpayer's gross income for such taxable year shall be increased by the amount of such excess.

(b) LAYER ADJUSTMENT AMOUNT.—For purposes of this section—

(1) IN GENERAL.—The term ''layer adjustment amount'' means, with respect to any historic LIFO layer, the product of—

(A) $18.75, and

(B) the number of barrels of crude oil (or in the case of natural gas or other petroleum products, the number of barrel-of-oil equivalents) represented by the layer.

(2) BARREL-OF-OIL EQUIVALENT.—The term ''barrel-of-oil equivalent'' has the meaning given such term by section 29(d)(5) (as in effect before its redesignation by the Energy Tax Incentives Act of 2005).

(c) APPLICATION OF REQUIREMENT.—

(1) NO CHANGE IN METHOD OF ACCOUNTING.—Any adjustment required by this section shall not be treated as a change in method of accounting.

(2) UNDERPAYMENTS OF ESTIMATED TAX.—No addition to the tax shall be made under section 6655 of the Internal Revenue Code of 1986 (relating to failure by corporation to pay estimated tax) with respect to any underpayment of an installment required to be paid with respect to the taxable year described in subsection (a) to the extent such underpayment was created or increased by this section.

(d) APPLICABLE INTEGRATED OIL COMPANY.—For purposes of this section, the term ''applicable integrated oil company'' means an integrated oil company (as defined in section 291(b)(4) of the Internal Revenue Code of 1986) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year and which had gross receipts in excess of $1,000,000,000 for its last taxable year ending during calendar year 2005. For purposes of this subsection all persons treated as a single employer under subsections (a) and (b) of section 52 of the Internal Revenue Code of 1986 shall be treated as 1 person and, in the case of a short taxable year, the rule under section 448(c)(3)(B) shall apply.

SEC. 402. ELIMINATION OF AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR MAJOR INTEGRATED OIL COMPANIES.

(a) IN GENERAL.—Section 167(h) is amended by adding at the end the following new paragraph:

''(5) NONAPPLICATION TO MAJOR INTEGRATED OIL COMPANIES.—This subsection shall not apply with respect to any expenses paid or incurred for any taxable year by any integrated oil company (as defined in section 291(b)(4)) which has an average daily worldwide production of crude oil of at least 500,000 barrels for such taxable year.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by section 1329(a) of the Energy Policy Act of 2005.

SEC. 403. MODIFICATIONS OF FOREIGN TAX CREDIT RULES APPLICABLE TO LARGE INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.

(a) IN GENERAL.—Section 901 (relating to credit for taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (m) as (n) and by inserting after subsection (l) the following new subsection:

''(m) SPECIAL RULES RELATING TO LARGE INTEGRATED OIL COMPANIES WHICH ARE DUAL CAPACITY TAXPAYERS.—

''(1) GENERAL RULE.—Notwithstanding any other provision of this chapter, any amount paid or accrued by a dual capacity taxpayer which is a large integrated oil company to a foreign country or possession of the United States for any period shall not be considered a tax—

''(A) if, for such period, the foreign country or possession does not impose a generally applicable income tax, or

''(B) to the extent such amount exceeds the amount (determined in accordance with regulations) which—

''(i) is paid by such dual capacity taxpayer pursuant to the generally applicable income tax imposed by the country or possession, or

''(ii) would be paid if the generally applicable income tax imposed by the country or possession were applicable to such dual capacity taxpayer.

Nothing in this paragraph shall be construed to imply the proper treatment of any such amount not in excess of the amount determined under subparagraph (B).

''(2) DUAL CAPACITY TAXPAYER.—For purposes of this subsection, the term 'dual capacity taxpayer' means, with respect to any foreign country or possession of the United States, a person who—

''(A) is subject to a levy of such country or possession, and

''(B) receives (or will receive) directly or indirectly a specific economic benefit (as determined in accordance with regulations) from such country or possession.

''(3) GENERALLY APPLICABLE INCOME TAX.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'generally applicable income tax' means an income tax (or a series of income taxes) which is generally imposed under the laws of a foreign country or possession on income derived from the conduct of a trade or business within such country or possession.

''(B) EXCEPTIONS.—Such term shall not include a tax unless it has substantial application, by its terms and in practice, to—

''(i) persons who are not dual capacity taxpayers, and

''(ii) persons who are citizens or residents of the foreign country or possession.

''(4) LARGE INTEGRATED OIL COMPANY.—For purposes of this subsection, the term 'large integrated oil company' means, with respect to any taxable year, an integrated oil company (as defined in section 291(b)(4)) which—

''(A) had gross receipts in excess of $1,000,000,000 for such taxable year, and

''(B) has an average daily worldwide production of crude oil of at least 500,000 barrels for such taxable year.''

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxes paid or accrued in taxable years beginning after the date of the enactment of this Act.

(2) CONTRARY TREATY OBLIGATIONS UPHELD.—The amendments made by this section shall not apply to the extent contrary to any treaty obligation of the United States.

By Mr. BROWNBACK (for himself, Mr. KYL and Mrs. HUTCHISON):

S. 2749. A bill to update the Silk Road Strategy Act of 1999 to modify targeting of assistance in order to support the economic and political independence of the countries of Central Asia and the South Caucasus in recognition of political and economic changes in these regions since enactment of the original legislation; to the Committee on Foreign Relations.

Mr. BROWNBACK. Mr. President, I rise to introduce the Silk Road Strategy Act of 2006. Joining me as original cosponsors are Senators KYL and HUTCHISON. I would like to extend my thanks to both of my colleagues and their staff for their assistance and guidance on many of the provisions in the bill.

The original Silk Road Strategy Act of 1999 saw the countries of the Caucasus and Central Asia—specifically, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan—as a distinct region bound by history and common interests with a shared potential that was of critical importance to the United States.

The goals of that legislation were as follows: to promote independent, democratic government; to promote the protection of human rights, tolerance, and pluralism; to aid in the resolution of conflicts and support political, economic, and security cooperation in order to foster regional stability and economic interdependence; to promote financial and economic development based on market principles; to aid in the development of communications, transportation, health and human services infrastructure; to promote and protect the interests of U.S. businesses and investments.

These basic policy goals have not changed; however, historic events since 1999 have had a significant impact on the region's political systems, economic conditions, and security situation which affect U.S. perceptions of and interests in the region. These changes include: the September 11, 2001 terrorist attack on the United States, which clarified the nature and source of the key threats facing this country; the Operation Enduring Freedom in Afghanistan and the removal of the Taliban regime; the series of ''colored revolutions'' in Georgia, Ukraine and Kyrgyzstan; Deteriorating relations between the U.S. and certain regional leaders, especially Uzbekistan's President Islam Karimov, and the closure of the U.S. base in that country; the growing influence of regional powers, namely Russia and China; greater U.S. oil and gas interests in the Caspian region; and the threat posed by Iran, which is seeking to develop a nuclear potential.

In light of these changes, the Silk Road Act needs to be updated and revised to better address some of the new challenges the U.S. faces in its relations with Central Asia and the Caucasus.

The U.S.'s vital interests in the Caspian region include: ensuring the independence and security of Azerbaijan and Georgia, through which critical oil and gas pipelines transit; containing Iran; ensuring access to oil and gas reserves; maintaining good relations with Kazakhstan; promoting peaceful resolution of conflicts; and keeping Russian geopolitical ambitions in check.

Further East, U.S. interests include: helping Kyrgyzstan to make its Tulip Revolution a success; the political stabilization of Afghanistan and enhancement of its security by defeating the Taliban and Al Qaeda and its satellite organizations; political reform and liberalization in the countries of Central Asia to neutralize radical Islamic movements, such as Hizb-ut- Tahrir al-Islami, HUT—Islamic Army of Liberation; reduction of drug production and exports; creation and/or support of the U.S. military base network; and social and economic development in the states of Central Asia.

To these ends, among other priorities, this bill emphasizes the importance of East-West gas and oil pipelines, such as the Baku-Tbilisi-Ceyhan pipeline, BTC. BTC ensures Azerbaijan's security and economic future, and binds the country with neighboring Georgia and Turkey, anchoring Azerbaijan in the network of Western states and institutions.

The bill also includes Afghanistan as a Silk Road country and promotes the integration of Afghanistan with neighboring Central Asian states in terms of security, trade, infrastructure and energy grids.

In all the states of Central Asia and the Caucasus, it is critical to promote democratic development. Among this bill's initiatives are calls for supporting independent media outlets, especially electronic media, and also for satellite TV programming, to provide authoritative news and more diverse opinions than are otherwise available. Specifically, it supports satellite TV broadcasting into Uzbekistan, Turkmenistan and Iran and the activities of their diasporas in the United States. Furthermore, the bill offers assistance for the establishment of civil service institutes to train civil servants at all levels in the rule of law, conduct of elections, respect for citizens' rights, and the needs of a market economy.

No less important is the need to accelerate and broaden economic reform and modernization in the Silk Road countries. Accordingly, this bill provides assistance in the privatization of state enterprises and deregulation of the economy.

The bill also calls for assistance with the establishment of the Caspian Bank of Reconstruction and Development, CBRD, to help Silk Road states address problems caused by increased revenues from energy exports, and dangers to macroeconomic stability and overheating of the economy infrastructure, as well as promote development in the region.

In light of Trans-Caspian Oil and Gas Pipelines, this bill encourages the governments of Azerbaijan, Kazakhstan and especially Turkmenistan to improve their business climate and investor confidence by fully disclosing their internationally audited hydrocarbon reserve.

The bill strongly supports activities that promote the participation of U.S. companies and investors in the planning, financing, and construction of infrastructure for communications, transportation, including air transportation, and energy and trade including highways, railroads, port facilities, shipping, banking, insurance, telecommunications networks, and gas and oil pipelines.

Furthermore, the bill would assist in the removal of legal and institutional barriers to continental and regional trade and the harmonization of border and tariff regimes, including improved mechanisms for transit through Pakistan to Afghanistan and the rest of Central Asia.

With respect to the World Trade Organization, the bill offers support to Silk Road countries seeking WTO accession, providing assistance in reform as needed. Recognizing that PNTR status, through graduation from the Jackson-Vanik Amendment of 1974 Trade Act, and WTO membership have been extended to Armenia, Georgia and Kyrgyzstan, the bill calls for extending the same status to the other two most advanced economies of the region, Azerbaijan and Kazakhstan, by graduating them from the Jackson-Vanik Amendment, extending PNTR status and aiding in WTO accession. But before that support is offered, it is important for the two countries to demonstrate that they are capable of dealing with the demands of a vibrant economy in a democratic setting.

A detailed examination of this bill will reveal many more initiatives. But as you can see, Mr. President, the Silk Road Strategy Act of 2006 takes a comprehensive approach to the region, encompassing security, economic development, democratic governance and human rights. I believe it targets the key issues that U.S. policymakers must address in our ever more important effort to establish solid, long-lasting relationships with the countries of the Silk Road. I hope my colleagues will support this bill and I look forward to discussing it with them.

By Mr. DEMINT:

S. 2750. A bill to improve access to emergency medical services through medical liability reform and additional Medicare payments; to the Committee on Finance.

Mr. DEMINT. Mr. President, I rise to introduce legislation to strengthen our nation's emergency departments, which are the backbone of our health care safety net.

Events of recent years—9/11, Hurricanes Katrina and Rita—have allowed all of us to see our emergency departments in action, 24 hours a day, 7 days a week. With every natural disaster or terrorist attack, emergency physicians, on-call specialists and nurses are on the front lines. Many times, it's their expertise that recognizes a problem. For example, it was the diagnosis and prompt communication of the incidence of anthrax that prevented more deaths a couple years ago here in D.C. Likewise, should we face pandemic influenza, it is likely to be discovered first in our emergency rooms.

Federal law requires that each person who comes to an emergency department be stabilized. Yet health plans are paying less and less of this cost, and many of the 45 million patients without health insurance can't pay at all. In fact, more than one-third of all emergency department patients are uninsured or are Medicaid or SCHIP enrollees. This results in huge amounts of uncompensated care in our nation's emergency departments, which threatens their viability and everyone's access to emergency care.

Unfortunately, America's emergency patients are suffering because emergency departments are not supported well enough to handle day-to-day emergencies, let alone a pandemic flu or terrorist attack. Patients wait hours to see physicians, ''boarding'' sometimes for days in emergency departments and diverted in ambulances to other hospitals. This gridlock threatens access to emergency care for everyone—both insured and uninsured.

Emergency departments are underfunded and suffer from severe staffing shortages. A new study just released by the Robert Wood Johnson Foundation and the American College of Emergency Physicians found that three-fourths of emergency medical directors reported inadequate on-call specialist coverage, compared with two-thirds in 2004: a sure sign that a bad situation is getting even worse.

Frivolous lawsuits and the nation's broken medical liability system are also driving up the costs of health care for everyone and threaten to leave already disadvantaged patients without access to necessary health care services.

But, even in the best of times, the number of visits to emergency departments continue to increase, while the number of emergency departments in hospitals continue to decrease. In fact, we've even seen a number of emergency departments have to close their doors.

Surprisingly, there are no standard measures to report the extent of overcrowding in emergency departments. During the last Congress, the Government Accountability Office (GAO) surveyed hospital emergency departments and reported back to Congress—providing us with the data needed to begin to address these issues.

The GAO report told Congress that patient ''boarding'' in the emergency department was the most common factor associated with overcrowding. The term ''boarding'' refers to those patients who have been admitted to the hospital but have not yet been moved from the emergency department to an inpatient hospital bed. When these patients remain in the emergency department long after the decision to admit them is made (at times on gurneys in halls and elsewhere)—it diminishes the space to care for other patients, and adversely impacts the staff and other resources.

My bill requires Medicare to establish regulations to reduce or eliminate overcrowding and boarding of emergency department patients. We have the data to recognize this problem. Hopefully, national standards coupled with incentive payments for those hospitals implementing the standards and documenting improvement will improve the quality of care in this country.

My legislation, the ''Access to Emergency Medical Services Act,'' directly addresses the issues of low reimbursement, emergency department overcrowding, and increasing medical liability insurance costs.

First, my bill expands the current liability protection granted to commissioned officers and employees of the Public Health Service to include Medicare participating hospitals or emergency departments subject to the Emergency Medical Treatment and Labor Act (EMTALA). This would also cover physicians and physician groups employed by, under contract, or on-call for duty to stabilize an individual with an emergency medical condition. This safeguard does not prevent someone from taking legal action. Rather, the bill requires that any tort or medical liability case must be brought against the United States, which in turn must defend any civil action or proceeding. Awards for malpractice judgments would be paid from a specific fund established for this purpose.

Second, my bill increases physician payments by 10% for services provided to Medicare beneficiaries in the emergency department of a hospital or critical access hospital. EMTALA is an unfunded federal mandate. Current law does not require health insurance companies, governments or individuals to pay for services that have been provided. As a result, emergency physicians bear the brunt of uncompensated care. This increased reimbursement recognizes and funds this mandate, and I hope it will go a long way toward improving physician recruitment and retention.

Finally, my bill provides financial incentive payments to hospitals that meet standards for prompt admissions of emergency department patients requiring inpatient hospital services. The bill would increase payments to these hospitals by 10 percent for Medicare beneficiaries' emergency department visits. The payments would be made only if the hospital certifies, subject to audit, that it met the standards for prompt admission.

The issues addressed by my bill impact each one of us. When you, or a family member, need the emergency room, you don't want to worry about it being crowded, closed, under-funded, or not having the staff it needs.

Emergency physicians, nurses and on-call specialists are the heroes in America's hospitals, working under incredibly difficult conditions on patients who need critical attention. Congress needs to step up and take action. The ''Access to Emergency Medical Services Act'' is an important first step to address these issues.

By Mr. NELSON of Nebraska (for himself and Mr. DOMENICI):

S. 2751. A bill to strengthen the National Oceanic and Atmospheric Administration's drought monitoring and forecasting capabilities; to the Committee on Commerce, Science, and Transportation.

Mr. NELSON of Nebraska. Mr. President, I rise today to introduce legislation that would establish the ''National Integrated Drought Information System'' (NIDIS) within the National

Oceanic and Atmospheric Administration (NOAA) for purposes of improving drought monitoring and forecasting capabilities.

Over the last decade, several severe and long-term droughts have occurred in the United States. Recent severe drought conditions across the Nation and in particular in the West have created life-threatening situations, as well as financial burdens for both government and individuals.

Extremely dry conditions have led to numerous forest and rangeland fires, burning hundreds of thousands of acres of land, destroying homes and communities, and eliminating critical habitats for wildlife and grazing lands for livestock. The subsequent ash and sediment loading threatens the health of our streams. In addition to the millions of board-feet of timber lost, these fires have cost hundreds of millions of dollars to fight and have put thousands of lives at risk.

The droughts have caused shortages of grain and other agricultural products resulting in soaring prices that will be passed on to consumers. In addition, deteriorating soil conditions and lack of forage are devastating the farm and ranching communities. The droughts have negatively affected livestock market prices and caused the premature selloffs of herds.

The droughts have threatened municipal water supplies, causing many communities to develop new water management plans which institute water restrictions and other water conservation measures. Drought causes social, economic and environmental consequences including negative effects on commerce and industry, tourism, air, water and other natural resources, and quality of life for our citizens, ranging from limits on recreational opportunities to loss of employment.

The fiscal impacts of drought on individuals and governments are significant. According to NOAA, the federal government spends on average $6–8 billion per year on drought. The most devastating of these was the 1988 drought in the central and eastern U.S. which caused severe losses to agriculture and related industries totaling $40 billion and an estimated 5,000–10,000 deaths.

The issue of drought is one I have been involved with for many years. Fortunately, drought conditions are improving in Nebraska, but we have endured a number of very difficult years struggling with the impact drought has had on our economy and environment and the social implications that go along with a disaster like this.

One of my biggest frustrations the past few years as an elected official, trying to help the areas of my State devastated by drought, has been making people understand that this drought really was a disaster—as much as a hurricane, or an earthquake, or a tornado.

I even named the drought in Nebraska—Drought David—in an effort to crystallize it so people could see that it is the same kind of experience as any other natural disaster.

Unlike other natural disasters, however, droughts are much more difficult to identify. It is hard to miss an oncoming flood or tornado—or their immediate aftermath. Drought, and its effects, is much harder to quantify. It develops slowly; it doesn't necessarily have a beginning point or an ending point but it spans over an extended period of time.

Because it is difficult to forecast and plan for droughts, it is especially important that we have programs in place such as the National Drought Mitigation Center at the University of Nebraska-Lincoln. The Drought Mitigation Center, among other things, maintains a web-based information clearinghouse, provides drought monitoring, prepares the weekly U.S. Drought Monitor which covers all 50 States, and develops drought policy and planning techniques. I believe it is crucial to encourage more investment in research programs such as the Drought Mitigation Center.

The research done upfront in monitoring drought trends will help our capabilities to mitigate and respond to its effects in a much more effective manner. It is cost effective to support programs such as the National Drought Mitigation Center and I advocate for continued support for this important program.

The National Drought Policy Commission stated in their May 2000 report to Congress that ''Drought is the most obstinate and pernicious of the dramatic events that Nature conjures up. It can last longer and extend across larger areas than hurricanes, tornadoes, floods and earthquakes . . . causing hundreds of millions of dollars in losses, and dashing hopes and dreams.'' Among its recommendations to move the country toward a more proactive approach to drought preparedness and response, the Commission called for improved ''collaboration among scientists and managers to enhance the effectiveness of observation networks, monitoring, prediction, information delivery, and applied research and to foster public understanding of and preparedness for drought.''

The call for improved drought monitoring and forecasting has also been advocated by the Western Governors' Association (WGA). In the WGA policy resolution adopted in June 2005, ''Future Management of Drought,'' the Governors state that NIDIS ''would provide water users across the board—farmers, ranchers, utilities, tribes, land managers, business owners, recreationalists, wildlife managers, and decision-makers at all levels of government—with the ability to assess their drought risk in real time and before the onset of drought, in order to make informed and timely decisions that may mitigate a drought's impacts. The Governors urge Congress and the President to authorize NIDIS and provide funding for its implementation.''

NIDIS has also become a key component of the multi-national effort to create the Global Earth Observation System of Systems (GEOSS), a mechanism for linking the individual networks of satellites, ocean buoys, weather stations and other instruments scattered across the globe. The U.S. Integrated Earth Observation System (IEOS), the U.S. contribution to GEOSS, has identified NIDIS as one of six ''near-term opportunities'' in their Strategic Plan.

Finally, the Administration supports this program. Funding for NIDIS is included in the President's FY 2007 budget request.

The National Integrated Drought Information System Act of 2006 that Senator DOMENICI and I are introducing today would authorize the much needed drought early warning system envisioned by the National Drought Policy Commission, the Western Governors' Association, and the Integrated Earth Observation System. If enacted, this bill will allow our Nation to become much more proactive in mitigating and avoiding the costly impacts and contentious conflicts that so often happen today when water shortages and droughts occur.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2751

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Integrated Drought Information System Act of 2006''.

SEC. 2. NOAA PROGRAM TO MONITOR AND FORECAST DROUGHTS.

(a) IN GENERAL.—The Under Secretary of Commerce for Oceans and Atmosphere shall establish a National Integrated Drought Information System within the National Oceanic and Atmospheric Administration.

(b) SYSTEM FUNCTIONS.—The System shall—

(1) provide an effective drought early warning system that—

(A) is a comprehensive system that collects and integrates information on the key indicators of drought in order to make usable, reliable, and timely drought forecasts and assessments of drought, including assessments of the severity of drought conditions and impacts;

(B) communicates drought forecasts, drought conditions, and drought impacts on an ongoing basis to—

(i) decisionmakers at the Federal, regional, State, tribal, and local levels of government;

(ii) the private sector; and

(iii) the public,

in order to facilitate better informed, more timely decisions and support drought mitigation and preparedness programs that will reduce impacts and costs; and

(C) includes timely (where possible realtime) data, information, and products that reflect local, regional, and State differences in drought conditions; and

(2) coordinate, and integrate as practicable, Federal research in support of a drought early warning system, improved

forecasts, and the development of mitigation and preparedness tools and techniques;

(3) build upon existing drought forecasting, assessment, and mitigation programs at the National Oceanic and Atmospheric Administration, including programs conducted in partnership with other Federal departments and agencies and existing research partnerships, such as that with the National Drought Mitigation Center at the University of Nebraska-Lincoln; and

(4) be incorporated into the Global Earth Observation System of Systems.

(c) CONSULTATION.—The Under Secretary shall consult with relevant Federal, regional, State, tribal, and local government agencies, research institutions, and the private sector in the development of the National Integrated Drought Information System.

(d) COOPERATION FROM OTHER FEDERAL AGENCIES.—Each Federal agency shall cooperate as appropriate with the Under Secretary in carrying out this Act.

(e) DROUGHT DEFINED.—In this section, the term ''drought'' means a deficiency in precipitation—

(1) that leads to a deficiency in surface or sub-surface water supplies (including rivers, streams, wetlands, ground water, soil moisture, reservoir supplies, lake levels, and snow pack); and

(2) that causes or may cause—

(A) substantial economic or social impacts; or

(B) substantial physical damage or injury to individuals, property, or the environment.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce for use by the Under Secretary of Commerce for Oceans and Atmosphere in implementing section 2—

(1) $8,000,000 for fiscal year 2007;

(2) $9,000,000 for fiscal year 2008;

(3) $10,000,000 for each of fiscal years 2009 and 2010; and

(4) $11,000,000 for each of fiscal years 2011 and 2012.

Mr. DOMENICI. Mr. President, I rise today to join Senator NELSON of Nebraska to introduce the National Integrated Drought Information System Act of 2006. I would like to thank Senator BEN NELSON; his strong leadership and hard work on this bill has been key in bringing us forward on this important issue.

Drought is a unique emergency situation; it creeps in unlike other abrupt weather disasters. Without a national drought policy we constantly live not knowing what the next year will bring. Unfortunately, when we find ourselves facing a drought, towns often scramble to drill new water wells, fires often sweep across bone dry forests and farmers and ranchers are forced to watch their way of life blow away with the dust. This year, my home State of New Mexico is facing a very real threat of devastating drought, as our snow pack was far below average.

We must be vigilant and prepare ourselves for quick action as this next drought cycle begins. Better planning on our part could limit some of the damage felt by drought. I submit that this bill is the exact tool needed for facilitating better planning.

This Act establishes the National Integrated Drought Information System within the National Oceanic and Atmospheric Administration to improve national drought preparedness, information collection and analysis. This information system collects and integrates information on key indicators of drought in order to make usable, reliable and timely drought forecasts and assessments. This information will be disseminated to federal, state, tribal and local decision makers in order to better prepare them for the effects of drought.

The impacts of drought are also very costly. According to NOAA, there have been 12 different drought events since 1980 that resulted in damages and costs exceeding $1 billion each. In 2000, severe drought in the South-Central and Southeastern states caused losses to agriculture and related industries of over $4 billion. Western wildfires that year totaled over $2 billion in damages. The Eastern drought in 1999 led to $1 billion in losses. These are just a few of the statistics.

On April 18, 2006, the Texas Agriculture Experiment Station predicted a dramatic decrease in water flows and reservoir storage throughout New Mexico. Early predictions indicate that river water supply will be at 54 percent due primarily to receiving half our annual snow pack and above average temperatures in my state. Additionally, several of our reservoirs are at severely diminished capacity. Specifically, the Elephant Butte, El Vado and Caballo reservoirs will all be below 10 percent of capacity by Labor Day. Several New Mexico communities have already begun to institute water restrictions in preparation for what is predicted to be one of the worst years on record. As this drought persists, I want to ensure each New Mexican that I am committed to doing everything possible to make sure they have the tools and information they need to make the best decisions.

While drought affects the economic and environmental well-being of the entire nation, the United States has lacked a cohesive strategy for dealing with serious drought emergencies. As many of you know, the impact of drought emerges gradually rather than suddenly, as is the case with other natural disasters.

I am pleased to be following through on what I started in 1997. The bill that we are introducing today is the next step in implementing a national, cohesive drought policy. The bill recognizes that drought is a recurring phenomenon that causes serious economic and environmental loss and that a national drought policy is needed to ensure an integrated, coordinated strategy.

By Mr. AKAKA:

S. 2753. A bill to require a program to improve the provision of caregiver assistance services for veterans; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I rise proudly today to introduce legislation that would provide assistance to those who care for our Nation's veterans. These caregivers provide a great service to our country and play a vital role in providing non-institutional long-term health care for veterans.

There is deep concern regarding the anticipated number of veterans that will need long-term care by the year 2010. In 2005, there were almost one million veterans age 85 and over, and by 2010, it is anticipated that the number of veterans in this age category will grow to 1.3 million. The Department of Veterans Affairs (VA) will be faced with a crisis related to the demand for care of this population, and we must help VA prepare for this situation.

VA has been disturbingly inactive in instituting the long-term care provisions of the 1999 Millennium Health Care Act. The General Accounting Office has been the most critical, citing major inconsistencies across the VA system in the implementation of non-institutional care. During the Committee on Veterans' Affairs' oversight work in Hawaii, we found that the Kauai clinic lacked a home care specialist and the Maui clinic was arbitrarily limiting non-institutional care. Caregivers are crucial in bridging these gaps in non-institutional long-term care services.

With more veterans returning from combat with severely debilitating injuries, young spouses and parents have been forced to take on an unexpected role as caregivers. Many have interrupted their own careers to dedicate time and attention to the care and rehabilitation of loved ones. These caregivers do not plan for this to happen and are not prepared mentally or financially for their new role. Therefore, we must protect, educate, and lend a helping hand to the caregivers who take on the responsibility and costly burden of caring for veterans, both young and old.

This legislation serves to provide comprehensive assistance to these caregivers. By providing such services as respite care, caregivers can have time to run errands and attend to their own health concerns. They can rest easier knowing that there is someone there to care for their disabled veteran while they are out. Another service provided through this legislation is adult-day care for veterans. This serves a dual purpose in that it provides short-term supervision and also gives veterans a place to go for some camaraderie.

The last years of a veteran's life can be difficult for both the veteran and for the caregiver. This legislation would also provide hospice services so that this period is one of peace and comfort.

Other services that would support caregivers under this legislation include education, training, transportation services, readjustment services, rehabilitation services, home care services, and any other new and innovative modalities of non-institutional long-term care.

I cannot try to quantify the invaluable service that caregivers provide.

What can be done is to make funds available to carry out programs to assist them. The legislation authorizes $10 million to be allocated to individual medical facilities within VA, especially to those in rural areas without a long-term care facility, based upon the proposals submitted by the facilities. In efforts to evaluate the improvements made in caregiver assistance services, a report shall be submitted to Congress by the Secretary no later than a year after enactment of this bill. The report should include information on the allocation of funds to facilities and a description of the improvements made with the funds.

Let us meet these caregivers halfway by giving them the assistance they need to care for the veterans that depend on them. I ask my colleagues to join me in supporting this effort.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2753

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IMPROVEMENT OF SERVICES FOR CAREGIVERS OF VETERANS.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall carry out a program to expand and improve the services that assist caregivers of veterans, including veterans of the Global War on Terrorism.

(b) CAREGIVER ASSISTANCE SERVICES.—For purposes of this section, the term ''caregiver assistance services'' includes the following:

(1) Adult-day health care services.

(2) Coordination of services needed by veterans, including services for readjustment and rehabilitation.

(3) Transportation services.

(4) Caregiver support services, including education, training, and certification of family members in caregiver activities.

(5) Home care services.

(6) Respite care.

(7) Hospice services.

(8) Any modalities of non-institutional long-term care.

(c) FUNDING.—

(1) SOURCE OF FUNDS.—In carrying out the program required by subsection (a), the Secretary shall identify, from funds available to the Department of Veterans Affairs for medical care, an amount not less than $10,000,000 to be available to carry out the program and to be allocated to facilities of the Department pursuant to subsection (d).

(2) MINIMUM ALLOCATION OF FUNDS.—In identifying available amounts pursuant to paragraph (1), the Secretary shall ensure that, after the allocation of funds under subsection (d), the total expenditure for programs in support of caregiver assistance services for veterans is not less than $10,000,000 in excess of the baseline amount.

(3) BASELINE AMOUNT.—For purposes of paragraph (2), the baseline amount is the amount of the total expenditures on programs in support of caregiver assistance services for veterans for the most recent fiscal year for which final expenditure amounts are known, adjusted to reflect any subsequent increase in applicable costs to support such services through the Veterans Health Administration.

(d) ALLOCATION OF FUNDS TO FACILITIES.—The Secretary shall allocate funds identified pursuant to subsection (c)(1) to individual medical facilities of the Department in such amounts as the Secretary determines appropriate based upon proposals submitted by such facilities for the use of such funds for improvements to the support of the provision of caregiver assistance services for veterans. Special consideration should be given to rural facilities, including those without a long-term care facility of the Department.

(e) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report on the implementation of this section. The report shall include information on the allocation of funds to facilities of the Department under subsection (d) and a description of the improvements made with funds so allocated to the support of the provision of caregiver assistance services for veterans.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 465—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO CHILDHOOD STROKE AND DESIGNATING MAY 6, 2006, AS ''NATIONAL CHILDHOOD STROKE AWARENESS DAY''

Mr. CHAMBLISS (for himself and Mr. FRIST) submitted the following resolution; which was considered and agreed to:

S. RES. 465

Whereas a stroke, also known as a ''cerebrovascular accident'', is an acute neurologic injury that occurs when the blood supply to a part of the brain is interrupted by—

(1) a clot in the artery; or

(2) a burst of the artery;

Whereas a stroke is a medical emergency that can cause permanent neurologic damage or even death if not promptly diagnosed and treated;

Whereas 26 out of every 100,000 newborns and almost 3 out of every 100,000 children have a stroke each year;

Whereas an individual can have a stroke before birth;

Whereas stroke is among the top 10 causes of death for children in the United States;

Whereas 12 percent of all children who experience a stroke die as a result;

Whereas the death rate for children who experience a stroke before the age of 1 year is the highest out of all age groups;

Whereas many children who experience a stroke will suffer serious, long-term neurological disabilities, including—

(1) hemiplegia, which is paralysis of 1 side of the body;

(2) seizures;

(3) speech and vision problems; and

(4) learning difficulties;

Whereas those disabilities may require ongoing physical therapy and surgeries;

Whereas the permanent health concerns and treatments resulting from strokes that occur during childhood and young adulthood have a considerable impact on children, families, and society;

Whereas very little is known about the cause, treatment, and prevention of childhood stroke;

Whereas medical research is the only means by which the citizens of the United States can identify and develop effective treatment and prevention strategies for childhood stroke; and

Whereas early diagnosis and treatment of childhood stroke greatly improves the chances that the affected child will recover and not experience a recurrence: Now, therefore, be it

Resolved, That the Senate—

(1) designates May 6, 2006, as ''National Childhood Stroke Awareness Day''; and

(2) urges the people of the United States to support the efforts, programs, services, and advocacy of organizations that work to enhance public awareness of childhood stroke, including—

(A) the Children's Hemiplegia and Stroke Association;

(B) the American Stroke Association, a division of the American Heart Association; and

(C) the National Stroke Association.

SENATE RESOLUTION 466—DESIGNATING MAY 20, 2006, AS ''NEGRO LEAGUERS RECOGNITION DAY''

Mr. NELSON of Florida (for himself, Mr. TALENT, Mr. DEWINE, Mr. REID, and Mr. BROWNBACK) submitted the following resolution; which was considered and agreed to:

S. RES. 466

Whereas even though African Americans were excluded from playing in the major leagues of their time with their white counterparts, the desire of many African Americans to play baseball could not be repressed;

Whereas Major League Baseball did not fully integrate its league until July 1959;

Whereas African Americans began organizing their own professional baseball teams in 1885;

Whereas the skills and abilities of Negro League players eventually made Major League Baseball realize the need to integrate the sport;

Whereas six separate baseball leagues, known collectively as the ''Negro Baseball Leagues'', were organized by African Americans between 1920 and 1960;

Whereas the Negro Baseball Leagues included exceptionally talented players who played the game at its highest level;

Whereas on May 20, 1920, the Negro National League, the first successful Negro League, played its first game;

Whereas Andrew ''Rube'' Foster, on February 13, 1920, at the Paseo YMCA in Kansas City, Missouri, founded the Negro National League and also managed and played for the Chicago American Giants, and later was inducted into the Baseball Hall of Fame;

Whereas Leroy ''Satchel'' Paige, who began his long career in the Negro Leagues and did not make his Major League debut until the age of 42, is considered one of the greatest pitchers the game has ever seen, and during his long career thrilled millions of baseball fans with his skill and legendary showboating, and was later inducted into the Baseball Hall of Fame;

Whereas Josh Gibson, who was the greatest slugger of the Negro Leagues, tragically died months before the integration of baseball, and was later inducted into the Baseball Hall of Fame;

Whereas Jackie Robinson, whose career began with the Negro League Kansas City Monarchs, became the first African American to play in the Major Leagues in April 1947, was named Major League Baseball Rookie of the Year in 1947, subsequently led the Brooklyn Dodgers to 6 National League pennants and a World Series championship, and was later inducted into the Baseball Hall of Fame;

Whereas Larry Doby, whose career began with the Negro League Newark Eagles, became the first African American to play in