By Mr. BAUCUS (for himself and Mr. TESTER):

S. 307. A bill to establish a minimum rate of release for water from the Yellowtail Dam, Montana; to the Committee on Energy and Natural Resources.

By Mr. DODD:

S. 308. A bill to prohibit an escalation in United States military forces in Iraq without prior authorization by Congress; to the Committee on Foreign Relations.

By Mr. SANDERS (for himself, Mrs. BOXER, Mr. KENNEDY, Mr. MENENDEZ, Mr. LAUTENBERG, Mr. LEAHY, Mr. REED, Mr. AKAKA, Mr. INOUYE, Mr. FEINGOLD, and Mr. WHITEHOUSE):

S. 309. A bill to amend the Clean Air Act to reduce emissions of carbon dioxide, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BIDEN (for himself and Mr. LUGAR):

S. Res. 30. A resolution expressing the sense of the Senate regarding the need for the United States to address global climate change through the negotiation of fair and effective international commitments; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 6

At the request of Mr. REID, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 6, a bill to enhance the security of the United States by reducing the dependence of the United States on foreign and unsustainable energy sources and the risks of global warming, and for other purposes.

S. 55

At the request of Mr. BAUCUS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 55, a bill to amend the Internal Revenue Code of 1986 to repeal the individual alternative minimum tax.

S. 65

At the request of Mr. INHOFE, the name of the Senator from Colorado (Mr. SALAZAR) was added as a cosponsor of S. 65, a bill to modify the age-60 standard for certain pilots and for other purposes.

S. 183

At the request of Mr. STEVENS, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. 183, a bill to require the establishment of a corporate average fuel economy standard for passenger automobiles of 40 miles per gallon by 2017, and for other purposes.

S. 193

At the request of Mr. LUGAR, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 193, a bill to increase cooperation on energy issues between the United States Government and foreign governments and entities in order to secure the strategic and economic interests of the United States, and for other purposes.

S. 200

At the request of Ms. MURKOWSKI, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 200, a bill to require the Secretary of the Interior, acting through the Bureau of Reclamation and the United States Geological Survey, to conduct a study on groundwater resources in the State of Alaska, and for other purposes.

S. 223

At the request of Mr. FEINGOLD, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 223, a bill to require Senate candidates to file designations, statements, and reports in electronic form.

S. 250

At the request of Ms. SNOWE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 250, a bill to reduce the costs of prescription drugs for Medicare beneficiaries and to guarantee access to comprehensive prescription drug coverage under part D of the Medicare program, and for other purposes.

S. 261

At the request of Ms. CANTWELL, the names of the Senator from Illinois (Mr. OBAMA) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 261, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. RES. 22

At the request of Ms. COLLINS, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. Res. 22, a resolution reaffirming the constitutional and statutory protections accorded sealed domestic mail, and for other purposes.

S. RES. 29

At the request of Ms. STABENOW, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. Res. 29, a resolution expressing the sense of the Senate regarding Martin Luther King, Jr. Day and the many lessons still to be learned from Dr. King's example of nonviolence, courage, compassion, dignity, and public service.

AMENDMENT NO. 17

At the request of Mr. GREGG, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of amendment No. 17 proposed to S. 1, a bill to provide greater transparency in the legislative process.

AMENDMENT NO. 20

At the request of Mr. BENNETT, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of amendment No. 20 proposed to S. 1, a bill to provide greater transparency in the legislative process.

AMENDMENT NO. 44

At the request of Mr. DEMINT, his name was added as a cosponsor of amendment No. 44 proposed to S. 1, a bill to provide greater transparency in the legislative process.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself, Mr. LOTT, Mr. INOUYE, Mr. STEVENS, Mr. SPECTER, Mr. CARPER, Mrs. HUTCHISON, Mrs. BOXER, Ms. SNOWE, Mr. DORGAN, Mr. BURR, Mrs. CLINTON, Mr. DURBIN, Mr. BIDEN, Mr. MENENDEZ, Mr. KERRY, Mr. KENNEDY, Mr. SCHUMER, Mr. PRYOR, and Mr. CARDIN):

S. 294. A bill to reauthorize Amtrak, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. LAUTENBERG. Mr. President, together with my good friend—the new Minority Whip—Senator TRENT LOTT I rise to introduce S. 294, the Passenger Rail Investment and Improvement Act of 2007.

After several gloomy years, the future of America's passenger railroad is bright. This legislation will provide the necessary resources to bring Amtrak up to speed as a real alternative to taking a plane or driving a car.

As we did in the past, we have joined forces to strengthen Amtrak and intercity passenger rail services for all Americans. But today, we introduce an updated version of last Congress's Amtrak reauthorization and passenger rail expansion bill. S. 1516, the Passenger Rail Investment and Improvement (PRIIA) Act of 2005.

I co-authored this legislation with Senator LOTT, then Chairman of the Commerce Committee's Surface Transportation and Merchant Marine Subcommittee, so that we could finally provide Amtrak with the funding and support it needs to thrive. The Commerce Committee favorably reported this bill, and Senator LOTT and I added it to last Congress's Budget Reconciliation package, where it was adopted by an overwhelming vote of 93 to 6. Despite the bipartisan support, the House failed to act, so Amtrak was left without a necessary reauthorization.

Now, in the new Congress, I am the chair of the Commerce Committee's Surface Transportation and Merchant Marine Subcommittee. Working with Senator LOTT, and our bipartisan group of cosponsors, we are going to get our Amtrak bill through the Senate. This time, I believe the House will be ready, willing, and able to match our efforts, so that we can send a bill to the President for his signature.

Every year, Amtrak is forced to fight for Federal funding—funding that has been insufficient at best. But as air and highway congestion continue to worsen, and concerns over our dependence on foreign oil remain, we must expand the capacity and improve the quality of our passenger rail system.

One needs only to look to Europe and Asia to see the benefits that a modern

passenger rail system can bring to a nation. Germany, which invested nine billion dollars in its rail system 2003 alone, has a modern, high-speed rail system that reduces pollution, eases congestion and improves mobility for all of its citizens. The benefits of their world class system are obvious to anyone who travels there. We need the same world class system in our country.

The era of the free and easy interstate and quick, hassle-free flights has come and gone, and time for us to make real investments in our passenger rail system has come. If we do not invest in Amtrak now, I fear for our country's economy and quality of life over the coming years. We simply cannot afford to rely solely on air travel or automobiles if we are going to keep this country moving.

The terror and tragedy we experienced on 9/11 taught us that we cannot rely solely on our aviation system. Last fall, Hurricane Katrina highlighted the role that passenger rail could play in evacuating residents who do not own automobiles. Hurricane Rita demonstrated the limits of our highway system, as evacuees' vehicles crawled to a stop in bumper-to-bumper traffic. Each one of these disasters reminded us that our Nation needs Amtrak and better train service to provide options for the traveling public—in good times and in bad.

The bill we introduce today is the most comprehensive reauthorization of Amtrak ever attempted by this body. We have worked with Amtrak, freight railroads, the States and rail labor to draft strong and comprehensive legislation.

Our bill authorizes nearly $12 billion in Federal support to expand partnerships for passenger rail with the States, improve the Northeast Corridor and provide real rail security for the Nation. Additionally, Senator LOTT and I filed an amendment today to this bill which would add $7.8 billion in bonding authority for States and Amtrak to develop rail infrastructure. This bonding authority would augment the appropriated funds authorized by this bill and provide Amtrak and the States with a reliable, multi-year source of capital for major projects. We look forward to working with the Finance Committee to consider this proposal.

Our bill also requires significant reforms of Amtrak: The system's supporters and detractors alike agree that it is time to reauthorize the Corporation so that Amtrak has congressional guidance on how to proceed with important reform initiatives needed to improve service, grow revenues, and cut costs.

People in New Jersey rely on Amtrak and want to be sure that the system will be there for them in the future. With this plan, it will.

Last year, 93 Senators voted for this plan. I ask that my colleagues, once again, join Senator LOTT and myself in supporting this important bill that will bring America's passenger rail system into the 21st Century.

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. 294

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 ''Passenger Rail Investment and Improvement Act of 2007''.

SEC. 2. AMENDMENT OF TITLE 49, UNITED STATES CODE.

Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision of law, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

SEC. 3. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATION FOR AMTRAK CAPITAL AND OPERATING EXPENSES AND STATE CAPITAL GRANTS.

(a) OPERATING GRANTS.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for operating costs the following amounts:

(1) For fiscal year 2007, $580,000,000.
(2) For fiscal year 2008, $590,000,000.
(3) For fiscal year 2009, $600,000,000.
(4) For fiscal year 2010, $575,000,000.
(5) For fiscal year 2011, $535,000,000.
(6) For fiscal year 2012, $455,000,000.

(b) CAPITAL GRANTS.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for capital projects (as defined in subparagraphs (A) and (B) of section 24401(2) of title 49, United States Code) to bring the Northeast Corridor (as defined in section 24102(a)) to a state-of-good-repair, for capital expenses of the national railroad passenger transportation system, and for purposes of making capital grants under section 24402 of that title to States, the following amounts:

(1) For fiscal year 2007, $813,000,000.
(2) For fiscal year 2008, $910,000,000.
(3) For fiscal year 2009, $1,071,000,000.
(4) For fiscal year 2010, $1,096,000,000.
(5) For fiscal year 2011, $1,191,000,000.
(6) For fiscal year 2012, $1,231,000,000.

(c) AMOUNTS FOR STATE GRANTS.—Out of the amounts authorized under subsection (b), the following percentage shall be available each fiscal year for capital grants to States under section 24402 of title 49, United States Code, to be administered by the Secretary of Transportation:

(1) 3 percent for fiscal year 2007.
(2) 11 percent for fiscal year 2008.
(3) 23 percent for fiscal year 2009.
(4) 25 percent for fiscal year 2010.
(5) 31 percent for fiscal year 2011.
(6) 33 percent for fiscal year 2012.

(d) PROJECT MANAGEMENT OVERSIGHT.—The Secretary may withhold up to ½ of 1 percent of amounts appropriated pursuant to subsection (b) for the costs of project management oversight of capital projects carried out by Amtrak.

SEC. 102. AUTHORIZATION FOR THE FEDERAL RAILROAD ADMINISTRATION.

There are authorized to be appropriated to the Secretary of Transportation for the use

of the Federal Railroad Administration such sums as necessary to implement the provisions required under this Act for fiscal years 2007 through 2012.

SEC. 103. REPAYMENT OF LONG-TERM DEBT AND CAPITAL LEASES.

(a) AMTRAK PRINCIPAL AND INTEREST PAYMENTS.—

(1) PRINCIPAL ON DEBT SERVICE.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for retirement of principal on loans for capital equipment, or capital leases, not more than the following amounts:

(A) For fiscal year 2007, $153,900,000.
(B) For fiscal year 2008, $153,400,000.
(C) For fiscal year 2009, $180,600,000.
(D) For fiscal year 2010, $182,800,000.
(E) For fiscal year 2011, $189,400,000.
(F) For fiscal year 2012, $202,600,000.

(2) INTEREST ON DEBT.—There are authorized to be appropriated to the Secretary of Transportation for the use of Amtrak for the payment of interest on loans for capital equipment, or capital leases, the following amounts:

(A) For fiscal year 2007, $139,600,000.
(B) For fiscal year 2008, $131,300,000.
(C) For fiscal year 2009, $121,700,000.
(D) For fiscal year 2010, $111,900,000.
(E) For fiscal year 2011, $101,900,000.
(F) For fiscal year 2012, $90,200,000.

(3) EARLY BUYOUT OPTION.—There are authorized to be appropriated to the Secretary of Transportation such sums as may be necessary for the use of Amtrak for the payment of costs associated with early buyout options if the exercise of those options is determined to be advantageous to Amtrak.

(4) LEGAL EFFECT OF PAYMENTS UNDER THIS SECTION.—The payment of principal and interest on secured debt, with the proceeds of grants authorized by this section shall not—

(A) modify the extent or nature of any indebtedness of the National Railroad Passenger Corporation to the United States in existence of the date of enactment of this Act;

(B) change the private nature of Amtrak's or its successors' liabilities; or

(C) imply any Federal guarantee or commitment to amortize Amtrak's outstanding indebtedness.

SEC. 104. EXCESS RAILROAD RETIREMENT.

There are authorized to be appropriated to the Secretary of Transportation, beginning with fiscal year 2007, such sums as may be necessary to pay to the Railroad Retirement Account an amount equal to the amount Amtrak must pay under section 3221 of the Internal Revenue Code of 1986 in such fiscal years that is more than the amount needed for benefits for individuals who retire from Amtrak and for their beneficiaries. For each fiscal year in which the Secretary makes such a payment, the amounts authorized by section 101(a) shall be reduced by an amount equal to such payment.

SEC. 105. OTHER AUTHORIZATIONS.

There are authorized to be appropriated to the Secretary of Transportation—

(1) $5,000,000 for each of fiscal years 2007 through 2012 to carry out the rail cooperative research program under section 24910 of title 49, United States Code;

(2) $5,000,000 for fiscal year 2008, to remain available until expended, for grants to Amtrak and States participating in the Next Generation Corridor Train Equipment Pool Committee established under section 303 of this Act for the purpose of designing, developing specifications for, and initiating the procurement of an initial order of 1 or more types of standardized next-generation corridor train equipment and establishing a jointly-owned corporation to manage that equipment; and

(3) $2,000,000 for fiscal year 2008, for the use of Amtrak in conducting the evaluation required by section 216 of this Act.

TITLE II—AMTRAK REFORM AND OPERATIONAL IMPROVEMENTS

SEC. 201. NATIONAL RAILROAD PASSENGER TRANSPORTATION SYSTEM DEFINED.

(a) IN GENERAL.—Section 24102 is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively; and

(3) by inserting after paragraph (4) as so redesignated the following:

''(5) 'national rail passenger transportation system' means—

''(A) the segment of the Northeast Corridor between Boston, Massachusetts and Washington, D.C.;

''(B) rail corridors that have been designated by the Secretary of Transportation as high-speed corridors (other than corridors described in subparagraph (A)), but only after they have been improved to permit operation of high-speed service;

''(C) long distance routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Passenger Rail Investment and Improvement Act of 2007; and

''(D) short-distance corridors, or routes of not more than 750 miles between endpoints, operated by—

''(i) Amtrak; or

''(ii) another rail carrier that receives funds under chapter 244.''.

(b) AMTRAK ROUTES WITH STATE FUNDING.—

(1) IN GENERAL.—Chapter 247 is amended by inserting after section 24701 the following:

''24702. Transportation requested by States, authorities, and other persons

''(a) CONTRACTS FOR TRANSPORTATION.—Amtrak may enter into a contract with a State, a regional or local authority, or another person for Amtrak to operate an intercity rail service or route not included in the national rail passenger transportation system upon such terms as the parties thereto may agree.

''(b) DISCONTINUANCE.—Upon termination of a contract entered into under this section, or the cessation of financial support under such a contract by either party, Amtrak may discontinue such service or route, notwithstanding any other provision of law.''.

(2) CONFORMING AMENDMENT.—The chapter analysis for chapter 247 is amended by inserting after the item relating to section 24701 the following:

''24702. Transportation requested by States, authorities, and other persons''.

(c) AMTRAK TO CONTINUE TO PROVIDE NON-HIGH-SPEED SERVICES.—Nothing in this Act is intended to preclude Amtrak from restoring, improving, or developing non-high-speed intercity passenger rail service.

(d) APPLICABILITY OF SECTION 24706.—Section 24706 is amended by adding at the end the following:

''(c) APPLICABILITY.—This section applies to all service over routes provided by Amtrak, notwithstanding any provision of section 24701 of this title or any other provision of this title except section 24702(b).''.

SEC. 202. AMTRAK BOARD OF DIRECTORS.

(a) IN GENERAL.—Section 24302 is amended to read as follows:

''§ 24302. Board of directors

''(a) COMPOSITION AND TERMS.—

''(1) The Board of Directors of Amtrak is composed of the following 10 directors, each of whom must be a citizen of the United States:

''(A) The Secretary of Transportation.

''(B) The President of Amtrak, who shall serve ex officio, as a non-voting member.

''(C) 8 individuals appointed by the President of the United States, by and with the advice and consent of the Senate, with general business and financial experience, experience or qualifications in transportation, freight and passenger rail transportation, travel, hospitality, cruise line, and passenger air transportation businesses, or representatives of employees or users of passenger rail transportation or a State government.

''(2) In selecting individuals described in paragraph (1) for nominations for appointments to the Board, the President shall consult with the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate and try to provide adequate and balanced representation of the major geographic regions of the United States served by Amtrak.

''(3) An individual appointed under paragraph (1)(C) of this subsection serves for 5 years or until the individual's successor is appointed and qualified. Not more than 5 individuals appointed under paragraph (1)(C) may be members of the same political party.

''(4) The Board shall elect a chairman and a vice chairman from among its membership. The vice chairman shall serve as chairman in the absence of the chairman.

''(5) The Secretary may be represented at board meetings by the Secretary's designee.

''(6) The voting privileges of the President can be changed by a unanimous decision of the Board.

''(b) PAY AND EXPENSES.—Each director not employed by the United States Government is entitled to $300 a day when performing Board duties. Each Director is entitled to reimbursement for necessary travel, reasonable secretarial and professional staff support, and subsistence expenses incurred in attending Board meetings.

''(c) VACANCIES.—A vacancy on the Board is filled in the same way as the original selection, except that an individual appointed by the President of the United States under subsection (a)(1)(C) of this section to fill a vacancy occurring before the end of the term for which the predecessor of that individual was appointed is appointed for the remainder of that term. A vacancy required to be filled by appointment under subsection (a)(1)(C) must be filled not later than 120 days after the vacancy occurs.

''(d) QUORUM.—A majority of the members serving shall constitute a quorum for doing business.

''(e) BYLAWS.—The Board may adopt and amend bylaws governing the operation of Amtrak. The bylaws shall be consistent with this part and the articles of incorporation.''.

(b) EFFECTIVE DATE FOR DIRECTORS' PROVISION.—The amendment made by subsection (a) shall take effect on October 1, 2007. The members of the Amtrak Board serving on the date of enactment of this Act may continue to serve for the remainder of the term to which they were appointed.

SEC. 203. ESTABLISHMENT OF IMPROVED FINANCIAL ACCOUNTING SYSTEM.

(a) IN GENERAL.—The Amtrak Board of Directors—

(1) may employ an independent financial consultant with experience in railroad accounting to assist Amtrak in improving Amtrak's financial accounting and reporting system and practices; and

(2) shall implement a modern financial accounting and reporting system that will produce accurate and timely financial information in sufficient detail—

(A) to enable Amtrak to assign revenues and expenses appropriately to each of its lines of business and to each major activity

within each line of business activity, including train operations, equipment maintenance, ticketing, and reservations;

(B) to aggregate expenses and revenues related to infrastructure and distinguish them from expenses and revenues related to rail operations;

(C) to allow the analysis of ticketing and reservation information on a real-time basis;

(D) to provide Amtrak cost accounting data; and

(E) to allow financial analysis by route and service.

(b) VERIFICATION OF SYSTEM; REPORT.—The Inspector General of the Department of Transportation shall review the accounting system designed and implemented under subsection (a) to ensure that it accomplishes the purposes for which it is intended. The Inspector General shall report his findings and conclusions, together with any recommendations, to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

SEC. 204. DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.

(a) DEVELOPMENT OF 5-YEAR FINANCIAL PLAN.—The Amtrak Board of Directors shall submit an annual budget and business plan for Amtrak, and a 5-year financial plan for the fiscal year to which that budget and business plan relate and the subsequent 4 years, prepared in accordance with this section, to the Secretary of Transportation and the Inspector General of the Department of Transportation no later than—

(1) the first day of each fiscal year beginning after the date of enactment of this Act; or

(2) the date that is 60 days after the date of enactment of an appropriation Act for the fiscal year, if later.

(b) CONTENTS OF 5-YEAR FINANCIAL PLAN.—The 5-year financial plan for Amtrak shall include, at a minimum—

(1) all projected revenues and expenditures for Amtrak, including governmental funding sources;

(2) projected ridership levels for all Amtrak passenger operations;

(3) revenue and expenditure forecasts for non-passenger operations;

(4) capital funding requirements and expenditures necessary to maintain passenger service which will accommodate predicted ridership levels and predicted sources of capital funding;

(5) operational funding needs, if any, to maintain current and projected levels of passenger service, including state-supported routes and predicted funding sources;

(6) projected capital and operating requirements, ridership, and revenue for any new passenger service operations or service expansions;

(7) an assessment of the continuing financial stability of Amtrak, as indicated by factors such as the ability of the Federal government to fund capital and operating requirements adequately, Amtrak's ability to efficiently manage its workforce, and Amtrak's ability to effectively provide passenger train service;

(8) estimates of long-term and short-term debt and associated principal and interest payments (both current and anticipated);

(9) annual cash flow forecasts;

(10) a statement describing methods of estimation and significant assumptions;

(11) specific measures that demonstrate measurable improvement year over year in Amtrak's ability to operate with reduced Federal operating assistance; and

(12) capital and operating expenditures for anticipated security needs.

(c) STANDARDS TO PROMOTE FINANCIAL STABILITY.—In meeting the requirements of subsection (b), Amtrak shall—

(1) apply sound budgetary practices, including reducing costs and other expenditures, improving productivity, increasing revenues, or combinations of such practices;

(2) use the categories specified in the financial accounting and reporting system developed under section 203 when preparing its 5-year financial plan; and

(3) ensure that the plan is consistent with the authorizations of appropriations under title I of this Act.

(d) ASSESSMENT BY DOT INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of Transportation shall assess the 5-year financial plans prepared by Amtrak under this section to determine whether they meet the requirements of subsection (b), and may suggest revisions to any components thereof that do not meet those requirements.

(2) ASSESSMENT TO BE FURNISHED TO THE CONGRESS.—The Inspector General shall furnish to the House of Representatives Committee on Appropriations, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation—

(A) an assessment of the annual budget within 90 days after receiving it from Amtrak; and

(B) an assessment of the remaining 4 years of the 5-year financial plan within 180 days after receiving it from Amtrak.

SEC. 205. ESTABLISHMENT OF GRANT PROCESS.

(a) GRANT REQUESTS.—Amtrak shall submit grant requests (including a schedule for the disbursement of funds), consistent with the requirements of this Act, to the Secretary of Transportation for funds authorized to be appropriated to the Secretary for the use of Amtrak under sections 101(a) and (b), 103, and 105.

(b) PROCEDURES FOR GRANT REQUESTS.—The Secretary shall establish substantive and procedural requirements, including schedules, for grant requests under this section not later than 30 days after the date of enactment of this Act and shall transmit copies to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure. As part of those requirements, the Secretary shall require, at a minimum, that Amtrak deposit grant funds, consistent with the appropriated amounts for each area of expenditure in a given fiscal year, in the following 3 accounts:

(1) The Amtrak Operating account.

(2) The Amtrak General Capital account.

(3) The Northeast Corridor Improvement funds account.

Amtrak may not transfer such funds to another account or expend such funds for any purpose other than the purposes covered by the account in which the funds are deposited without approval by the Secretary.

(c) REVIEW AND APPROVAL.—

(1) 30-DAY APPROVAL PROCESS.—The Secretary shall complete the review of a complete grant request (including the disbursement schedule) and approve or disapprove the request within 30 days after the date on which Amtrak submits the grant request. If the Secretary disapproves the request or determines that the request is incomplete or deficient, the Secretary shall include the reason for disapproval or the incomplete items or deficiencies in the notice to Amtrak.

(2) 15-DAY MODIFICATION PERIOD.—Within 15 days after receiving notification from the Secretary under the preceding sentence, Amtrak shall submit a modified request for the Secretary's review.

(3) REVISED REQUESTS.—Within 15 days after receiving a modified request from Amtrak, the Secretary shall either approve the modified request, or, if the Secretary finds that the request is still incomplete or deficient, the Secretary shall identify in writing to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure the remaining deficiencies and recommend a process for resolving the outstanding portions of the request.

SEC. 206. STATE-SUPPORTED ROUTES.

(a) IN GENERAL.—Within 2 years after the date of enactment of this Act, the Board of Directors of Amtrak, in consultation with the Secretary of Transportation and the governors of each State and the Mayor of the District of Columbia or groups representing those officials, shall develop and implement a standardized methodology for establishing and allocating the operating and capital costs among the States and Amtrak associated with trains operated on routes described in section 24102(5)(B) or (D) or section 24702 that—

(1) ensures, within 5 years after the date of enactment of this Act, equal treatment in the provision of like services of all States and groups of States (including the District of Columbia); and

(2) allocates to each route the costs incurred only for the benefit of that route and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 route.

(b) REVIEW.—If Amtrak and the States (including the District of Columbia) in which Amtrak operates such routes do not voluntarily adopt and implement the methodology developed under subsection (a) in allocating costs and determining compensation for the provision of service in accordance with the date established therein, the Surface Transportation Board shall determine the appropriate methodology required under subsection (a) for such services in accordance with the procedures and procedural schedule applicable to a proceeding under section 24904(c) of title 49, United States Code, and require the full implementation of this methodology with regards to the provision of such service within 1 year after the Board's determination of the appropriate methodology.

(c) USE OF CHAPTER 244 FUNDS.—Funds provided to a State under chapter 244 of title 49, United States Code, may be used, as provided in that chapter, to pay capital costs determined in accordance with this section.

SEC. 207. INDEPENDENT AUDITOR TO ESTABLISH METHODOLOGIES FOR AMTRAK ROUTE AND SERVICE PLANNING DECISIONS.

(a) METHODOLOGY DEVELOPMENT.—The Federal Railroad Administration shall obtain the services of an independent auditor or consultant to develop and recommend objective methodologies for determining intercity passenger routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes. In developing such methodologies, the auditor or consultant shall consider—

(1) the current or expected performance and service quality of intercity passenger train operations, including cost recovery, on-time performance and minutes of delay, ridership, on-board services, stations, facilities, equipment, and other services;

(2) connectivity of a route with other routes;

(3) the transportation needs of communities and populations that are not well

served by other forms of public transportation;

(4) Amtrak's and other major intercity passenger rail service providers in other countries' methodologies for determining intercity passenger rail routes and services; and

(5) the views of the States and other interested parties.

(b) SUBMITTAL TO CONGRESS.—The auditor or consultant shall submit recommendations developed under subsection (a) to Amtrak, the House of Representatives Committee on Transportation and Infrastructure, and the Senate Committee on Commerce, Science, and Transportation.

(c) CONSIDERATION OF RECOMMENDATIONS.—Within 90 days after receiving the recommendations developed under subsection (a) by the independent auditor or consultant, the Amtrak Board shall consider the adoption of those recommendations. The Board shall transmit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure explaining its action in adopting or failing to adopt any of the recommendations.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be made available to the Secretary of Transportation, out of any amounts authorized by this Act to be appropriated for the benefit of Amtrak and not otherwise obligated or expended, such sums as may be necessary to carry out this section.

(e) PIONEER ROUTE.—Within 2 years after the date of enactment of this Act, Amtrak shall conduct a 1-time evaluation of the Pioneer Route formerly operated by Amtrak to determine, using methodologies adopted under subsection (c), whether a level of passenger demand exists that would warrant consideration of reinstating the entire Pioneer Route service or segments of that service.

SEC. 208. METRICS AND STANDARDS.

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, the Administrator of the Federal Railroad Administration and Amtrak shall jointly, in consultation with the Surface Transportation Board, rail carriers over whose rail lines Amtrak trains operate, States, Amtrak employees, and groups representing Amtrak passengers, as appropriate, develop new or improve existing metrics and minimum standards for measuring the performance and service quality of intercity passenger train operations, including cost recovery, on-time performance and minutes of delay, ridership, on-board services, stations, facilities, equipment, and other services. Such metrics, at a minimum, shall include the percentage of avoidable and fully allocated operating costs covered by passenger revenues on each route, ridership per train mile operated, measures of on-time performance and delays incurred by intercity passenger trains on the rail lines of each rail carrier and, for long distance routes, measures of connectivity with other routes in all regions currently receiving Amtrak service and the transportation needs of communities and populations that are not well-served by other forms of public transportation. Amtrak shall provide reasonable access to the Federal Railroad Administration in order to enable the Administration to carry out its duty under this section.

(b) QUARTERLY REPORTS.—The Administrator of the Federal Railroad Administration shall collect the necessary data and publish a quarterly report on the performance and service quality of intercity passenger train operations, including Amtrak's cost recovery, ridership, on-time performance and minutes of delay, causes of delay, on-board services, stations, facilities, equipment, and other services.

(c) CONTRACT WITH HOST RAIL CARRIERS.—To the extent practicable, Amtrak and its host rail carriers shall incorporate the metrics and standards developed under subsection (a) into their access and service agreements.

(d) ARBITRATION.—If the development of the metrics and standards is not completed within the 180-day period required by subsection (a), any party involved in the development of those standards may petition the Surface Transportation Board to appoint an arbitrator to assist the parties in resolving their disputes through binding arbitration.

SEC. 209. PASSENGER TRAIN PERFORMANCE.

(a) IN GENERAL.—Section 24308 is amended by adding at the end the following:

''(f) PASSENGER TRAIN PERFORMANCE AND OTHER STANDARDS.—

''(1) INVESTIGATION OF SUBSTANDARD PERFORMANCE.—If the on-time performance of any intercity passenger train averages less than 80 percent for any 2 consecutive calendar quarters, or the service quality of intercity passenger train operations for which minimum standards are established under section 208 of the Passenger Rail Investment and Improvement Act of 2007 fails to meet those standards for 2 consecutive calendar quarters, the Surface Transportation Board may initiate an investigation, or upon the filing of a complaint by Amtrak, an intercity passenger rail operator, or an entity for which Amtrak operates intercity passenger rail service, the Board shall initiate an investigation to determine whether, and to what extent, delays or failure to achieve minimum standards are due to causes that could reasonably be addressed by a rail carrier over tracks of which the intercity passenger train operates or reasonably addressed by Amtrak or other intercity passenger rail operator. In making its determination or carrying out such an investigation, the Board shall obtain information from all parties involved and identify reasonable measures and make recommendations to improve the service, quality, and on-time performance of the train.

''(2) PROBLEMS CAUSED BY HOST RAIL CARRIER.—If the Board determines that delays or failures to achieve minimum standards investigated under paragraph (1) are attributable to a rail carrier's failure to provide preference to Amtrak over freight transportation as required under subsection (c), the Board may award damages against the host rail carrier, including prescribing such other relief to Amtrak as it determines to be reasonable and appropriate pursuant to paragraph (3) of this subsection.

''(3) DAMAGES AND RELIEF.—In awarding damages and prescribing other relief under this subsection the Board shall consider such factors as—

''(A) the extent to which Amtrak suffers financial loss as a result of host rail carrier delays or failure to achieve minimum standards; and

''(B) what reasonable measures would adequately deter future actions which may reasonably be expected to be likely to result in delays to Amtrak on the route involved.

''(4) USE OF DAMAGES.—The Board shall, as it deems appropriate, remit the damages awarded under this subsection to Amtrak or to an entity for which Amtrak operates intercity passenger rail service. Such damages shall be used for capital or operating expenditures on the routes over which delays or failures to achieve minimum standards were the result of a rail carrier's failure to provide preference to Amtrak over freight transportation as determined in accordance with paragraph (2).''.

(b) CHANGE OF REFERENCE.—Section 24308 is amended—

(1) by striking ''Interstate Commerce Commission'' in subsection (a)(2)(A) and inserting ''Surface Transportation Board'';

(2) by striking ''Commission'' each place it appears and inserting ''Board'';

(3) by striking ''Secretary of Transportation'' in subsection (c) and inserting ''Board''; and

(4) by striking ''Secretary'' the last 3 places it appears in subsection (c) and each place it appears in subsections (d) and (e) and inserting ''Board''.

SEC. 210. LONG DISTANCE ROUTES.

(a) IN GENERAL.—Chapter 247 is amended by adding at the end thereof the following:

''§ 24710. Long distance routes

''(a) ANNUAL EVALUATION.—Using the financial and performance metrics developed under section 208 of the Passenger Rail Investment and Improvement Act of 2007, Amtrak shall—

''(1) evaluate annually the financial and operating performance of each long distance passenger rail route operated by Amtrak; and

''(2) rank the overall performance of such routes for 2006 and identify each long distance passenger rail route operated by Amtrak in 2006 according to its overall performance as belonging to the best performing third of such routes, the second best performing third of such routes, or the worst performing third of such routes.

''(b) PERFORMANCE IMPROVEMENT PLAN.—Amtrak shall develop and publish a performance improvement plan for its long distance passenger rail routes to achieve financial and operating improvements based on the data collected through the application of the financial and performance metrics developed under section 208 of that Act. The plan shall address—

''(1) on-time performance;

''(2) scheduling, frequency, routes, and stops;

''(3) the feasibility of restructuring service into connected corridor service;

''(4) performance-related equipment changes and capital improvements;

''(5) on-board amenities and service, including food, first class, and sleeping car service;

''(6) State or other non-Federal financial contributions;

''(7) improving financial performance; and

''(8) other aspects of Amtrak's long distance passenger rail routes that affect the financial, competitive, and functional performance of service on Amtrak's long distance passenger rail routes.

''(c) IMPLEMENTATION.—Amtrak shall implement the performance improvement plan developed under subsection (b)—

''(1) beginning in fiscal year 2008 for those routes identified as being in the worst performing third under subsection (a)(2);

''(2) beginning in fiscal year 2009 for those routes identified as being in the second best performing third under subsection (a)(2); and

''(3) beginning in fiscal year 2010 for those routes identified as being in the best performing third under subsection (a)(2).

''(d) ENFORCEMENT.—The Federal Railroad Administration shall monitor the development, implementation, and outcome of improvement plans under this section. If, for any year, it determines that Amtrak is not making reasonable progress in implementing its performance improvement plan or in achieving the expected outcome of the plan for any calendar year, the Federal Railroad Administration—

''(1) shall notify Amtrak, the Inspector General of the Department of Transportation, and appropriate Congressional committees of its determination under this subsection;

''(2) shall provide an opportunity for a hearing with respect to that determination; and

''(3) may withhold any appropriated funds otherwise available to Amtrak for the operation of a route or routes on which it is not making progress, other than funds made available for passenger safety or security measures.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 247 is amended by inserting after the item relating to section 24709 the following:

''24710. Long distance routes''.

SEC. 211. ALTERNATE PASSENGER RAIL SERVICE PROGRAM.

(a) IN GENERAL.—Chapter 247, as amended by section 209, is amended by adding at the end thereof the following:

''§ 24711. Alternate passenger rail service program

''(a) IN GENERAL.—Within 1 year after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, the Federal Railroad Administration shall initiate a rulemaking proceeding to develop a program under which—

''(1) a rail carrier or rail carriers that own infrastructure over which Amtrak operates a passenger rail service route described in subparagraph (B), (C), or (D) of section 24102(5) or in section 24702 of title 49, United States Code may petition the Federal Railroad Administration to be considered as a passenger rail service provider over that route in lieu of Amtrak;

''(2) the Administration would notify Amtrak within 30 days after receiving a petition under paragraph (1) and establish a deadline by which both the petitioner and Amtrak would be required to submit a bid to provide passenger rail service over the route to which the petition relates;

''(3) each bid would describe how the bidder would operate the route, what Amtrak passenger equipment would be needed, if any, what sources of non-Federal funding the bidder would use, including any State subsidy, among other things;

''(4) the Administration would make a decision and execute a contract within a specified, limited time after that deadline awarding to the winning bidder—

''(A) the right and obligation to provide passenger rail service over that route subject to such performance standards as the Administration may require, consistent with the standards developed under section 208 of this Act; and

''(B) an operating subsidy—

''(i) for the first year at a level not in excess of the level in effect during the fiscal year preceding the fiscal year in which the petition was received, adjusted for inflation;

''(ii) for any subsequent years at such level, adjusted for inflation; and

''(5) each bid would contain a staffing plan describing the number of employees needed to operate the service, the job assignments and requirements, and the terms of work for prospective and current employees of the bidder for the service outlined in the bid, and such staffing plan would be made available by the winning bidder to the public after the bid award.

''(b) IMPLEMENTATION.—

''(1) INITIAL PETITIONS.—Pursuant to any rules or regulations promulgated under subsection (A), the Administration shall establish a deadline for the submission of a petition under subsection (a)—

''(A) during fiscal year 2008 for operations commencing in fiscal year 2009; and

''(B) during the immediately preceding fiscal year for operations commencing in subsequent fiscal years.

''(2) ROUTE LIMITATIONS.—The Administration may not make the program available with respect to more than 1 Amtrak passenger rail route for operations beginning in fiscal year 2009 nor to more than 2 such routes for operations beginning in fiscal year 2011 and subsequent fiscal years.

''(c) PERFORMANCE STANDARDS; ACCESS TO FACILITIES; EMPLOYEES.—If the Administration awards the right and obligation to provide passenger rail service over a route under the program to a rail carrier or rail carriers—

''(1) it shall execute a contract with the rail carrier or rail carriers for rail passenger operations on that route that conditions the operating and subsidy rights upon—

''(A) the service provider continuing to provide passenger rail service on the route that is no less frequent, nor over a shorter distance, than Amtrak provided on that route before the award; and

''(B) the service provider's compliance with the minimum standards established under section 208 of the Passenger Rail Investment and Improvement Act of 2007 and such additional performance standards as the Administration may establish;

''(2) it shall, if the award is made to a rail carrier other than Amtrak, require Amtrak to provide access to its reservation system, stations, and facilities to any rail carrier or rail carriers awarded a contract under this section, in accordance with section 218 of that Act, necessary to carry out the purposes of this section;

''(3) the employees of any person used by a rail carrier or rail carriers (as defined in section 10102(5) of this title) in the operation of a route under this section shall be considered an employee of that carrier or carriers and subject to the applicable Federal laws and regulations governing similar crafts or classes of employees of Amtrak, including provisions under section 121 of the Amtrak Reform and Accountability Act of 1997 relating to employees that provide food and beverage service; and

''(4) the winning bidder shall provide preference in hiring to qualified Amtrak employees displaced by the award of the bid, consistent with the staffing plan submitted by the bidder.

''(d) CESSATION OF SERVICE.—If a rail carrier or rail carriers awarded a route under this section cease to operate the service or fail to fulfill their obligations under the contract required under subsection (c), the Administrator, in collaboration with the Surface Transportation Board shall take any necessary action consistent with this title to enforce the contract and ensure the continued provision of service, including the installment of an interim service provider and re-bidding the contract to operate the service. The entity providing service shall either be Amtrak or a rail carrier defined in section 24711(a)(1).

''(e) ADEQUATE RESOURCES.—Before taking any action allowed under this section, the Secretary shall certify that the Administrator has sufficient resources that are adequate to undertake the program established under this section.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 247, as amended by section 209, is amended by inserting after the item relating to section 24710 the following:

''24711. Alternate passenger rail service program''.

SEC. 212. EMPLOYEE TRANSITION ASSISTANCE.

(a) PROVISION OF FINANCIAL INCENTIVES.—For Amtrak employees who are adversely affected by the cessation of the operation of a long distance route or any other route under section 24711 of title 49, United States Code, previously operated by Amtrak, the Secretary shall develop a program under which the Secretary may, in the Secretary's discretion, provide grants for financial incentives to be provided to employees of the National Railroad Passenger Corporation who voluntarily terminate their employment with the Corporation and relinquish any legal rights to receive termination-related payments under any contractual agreement with the Corporation.

(b) CONDITIONS FOR FINANCIAL INCENTIVES.—As a condition for receiving financial assistance grants under this section, the Corporation must certify that—

(1) a reasonable attempt was made to reassign an employee adversely affected under section 24711 of title 49, United States Code, or by the elimination of any route, to other positions within the Corporation in accordance with any contractual agreements;

(2) the financial assistance results in a net reduction in the total number of employees equal to the number receiving financial incentives;

(3) the financial assistance results in a net reduction in total employment expense equivalent to the total employment expenses associated with the employees receiving financial incentives; and

(4) the total number of employees eligible for termination-related payments will not be increased without the express written consent of the Secretary.

(c) AMOUNT OF FINANCIAL INCENTIVES.—The financial incentives authorized under this section may be no greater than $50,000 per employee.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to make grants to the National Railroad Passenger Corporation to provide financial incentives under subsection (a).

(e) TERMINATION-RELATED PAYMENTS.—If Amtrak employees adversely affected by the cessation of Amtrak service resulting from the awarding of a grant to an operator other than Amtrak for the operation of a route under section 24711 of title 49, United States Code, or any other route, previously operated by Amtrak do not receive financial incentives under subsection (a), then the Secretary shall make grants to the National Railroad Passenger Corporation from funds authorized by section 102 of this Act for termination-related payments to employees under existing contractual agreements.

SEC. 213. NORTHEAST CORRIDOR STATE-OF-GOOD-REPAIR PLAN.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the National Railroad Passenger Corporation, in consultation with the Secretary and the States (including the District of Columbia) that make up the Northeast Corridor (as defined in section 24102 of title 49, United States Code), shall prepare a capital spending plan for capital projects required to return the Northeast Corridor to a state of good repair by the end of fiscal year 2012, consistent with the funding levels authorized in this Act and shall submit the plan to the Secretary.

(b) APPROVAL BY THE SECRETARY.—

(1) The Corporation shall submit the capital spending plan prepared under this section to the Secretary of Transportation for review and approval pursuant to the procedures developed under section 205 of this Act.

(2) The Secretary of Transportation shall require that the plan be updated at least annually and shall review and approve such updates. During review, the Secretary shall seek comments and review from the commission established under section 24905 of title 49, United States Code, and other Northeast Corridor users regarding the plan.

(3) The Secretary shall make grants to the Corporation with funds authorized by section 101(b) for Northeast Corridor capital investments contained within the capital spending plan prepared by the Corporation and approved by the Secretary.

(4) Using the funds authorized by section 101(d), the Secretary shall review Amtrak's capital expenditures funded by this section to ensure that such expenditures are consistent with the capital spending plan and that Amtrak is providing adequate project management oversight and fiscal controls.

(c) ELIGIBILITY OF EXPENDITURES.—The Federal share of expenditures for capital improvements under this section may not exceed 100 percent.

SEC. 214. NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS IMPROVEMENTS.

(a) IN GENERAL.—Section 24905 is amended to read as follows:

"§ 24905. Northeast Corridor Infrastructure and Operations Advisory Commission; Safety and Security Committee.

''(a) NORTHEAST CORRIDOR INFRASTRUCTURE AND OPERATIONS ADVISORY COMMISSION.—

''(1) Within 180 days after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, the Secretary of Transportation shall establish a Northeast Corridor Infrastructure and Operations Advisory Commission (hereinafter referred to in this section as the 'Commission') to promote mutual cooperation and planning pertaining to the rail operations and related activities of the Northeast Corridor. The Commission shall be made up of—

''(A) members representing the National Railroad Passenger Corporation;

''(B) members representing the Secretary of Transportation and the Federal Railroad Administration;

''(C) 1 member from each of the States (including the District of Columbia) that constitute the Northeast Corridor as defined in section 24102, designated by, and serving at the pleasure of, the chief executive officer thereof; and

''(D) non-voting representatives of freight railroad carriers using the Northeast Corridor selected by the Secretary.

''(2) The Secretary shall ensure that the membership belonging to any of the groups enumerated under subparagraph (1) shall not constitute a majority of the commission's memberships.

''(3) The commission shall establish a schedule and location for convening meetings, but shall meet no less than four times per fiscal year, and the commission shall develop rules and procedures to govern the commission's proceedings.

''(4) A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

''(5) Members shall serve without pay but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

''(6) The Chairman of the Commission shall be elected by the members.

''(7) The Commission may appoint and fix the pay of such personnel as it considers appropriate.

''(8) Upon request of the Commission, the head of any department or agency of the United States may detail, on a reimbursable basis, any of the personnel of that department or agency to the Commission to assist it in carrying out its duties under this section.

''(9) Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this section.

''(10) The commission shall consult with other entities as appropriate.

''(b) GENERAL RECOMMENDATIONS.—The Commission shall develop recommendations concerning Northeast Corridor rail infrastructure and operations including proposals addressing, as appropriate—

''(1) short-term and long term capital investment needs beyond the state-of-good-repair under section 213;

''(2) future funding requirements for capital improvements and maintenance;

''(3) operational improvements of intercity passenger rail, commuter rail, and freight rail services;

''(4) opportunities for additional non-rail uses of the Northeast Corridor;

''(5) scheduling and dispatching;

''(6) safety and security enhancements;

''(7) equipment design;

''(8) marketing of rail services; and

''(9) future capacity requirements.

''(c) ACCESS COSTS.—

''(1) DEVELOPMENT OF FORMULA.—Within 1 year after verification of Amtrak's new financial accounting system pursuant to section 203(b) of the Passenger Rail Investment and Improvement Act of 2007, the Commission shall—

''(A) develop a standardized formula for determining and allocating costs, revenues, and compensation for Northeast Corridor commuter rail passenger transportation, as defined in section 24102 of this title, that use National Railroad Passenger Corporation facilities or services or that provide such facilities or services to the National Railroad Passenger Corporation that ensure that—

''(i) there is no cross-subsidization of commuter rail passenger, intercity rail passenger, or freight rail transportation; and

''(ii) each service is assigned the costs incurred only for the benefit of that service, and a proportionate share, based upon factors that reasonably reflect relative use, of costs incurred for the common benefit of more than 1 service;

''(B) develop a proposed timetable for implementing the formula before the end of the 6th year following the date of enactment of that Act;

''(C) transmit the proposed timetable to the Surface Transportation Board; and

''(D) at the request of a Commission member, petition the Surface Transportation Board to appoint a mediator to assist the Commission members through non-binding mediation to reach an agreement under this section.

''(2) IMPLEMENTATION.—The National Railroad Passenger Corporation and the commuter authorities providing commuter rail passenger transportation on the Northeast Corridor shall implement new agreements for usage of facilities or services based on the formula proposed in paragraph (1) in accordance with the timetable established therein. If the entities fail to implement such new agreements in accordance with the timetable, the Commission shall petition the Surface Transportation Board to determine the appropriate compensation amounts for such services in accordance with section 24904(c) of this title. The Surface Transportation Board shall enforce its determination on the party or parties involved.

''(d) TRANSMISSION OF RECOMMENDATIONS.—The commission shall annually transmit the recommendations developed under subsection (b) and the formula and timetable developed under subsection (c)(1) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure.

''(e) NORTHEAST CORRIDOR SAFETY AND SECURITY COMMITTEE.—

''(1) IN GENERAL.—The Secretary shall establish a Northeast Corridor Safety and Security Committee composed of members appointed by the Secretary. The members shall be representatives of—

''(A) the Secretary;

''(B) Amtrak;

''(C) freight carriers operating more than 150,000 train miles a year on the main line of the Northeast Corridor;

''(D) commuter agencies;

''(E) rail passengers;

''(F) rail labor;

''(G) the Transportation Security Administration; and

''(H) other individuals and organizations the Secretary decides have a significant interest in rail safety or security.

''(2) FUNCTION; MEETINGS.—The Secretary shall consult with the Committee about safety and security improvements on the Northeast Corridor main line. The Committee shall meet at least once every 2 years to consider safety matters on the main line.

''(3) REPORT.—At the beginning of the first session of each Congress, the Secretary shall submit a report to the Commission and to Congress on the status of efforts to improve safety and security on the Northeast Corridor main line. The report shall include the safety recommendations of the Committee and the comments of the Secretary on those recommendations.''.

(b) CONFORMING AMENDMENTS.—Section 24904(c)(2) is amended by—

(1) inserting ''commuter rail passenger'' after ''between''; and

(2) striking ''freight'' in the second sentence.

(c) RIDOT ACCESS AGREEMENT.—

(1) IN GENERAL.—Not later than December 15, 2007, Amtrak and the Rhode Island Department of Transportation shall enter into an agreement governing access fees and other costs or charges related to the operation of the South County commuter rail service on the Northeast Corridor between Providence and Wickford Junction, Rhode Island.

(2) FAILURE TO REACH AGREEMENT.—If Amtrak and the Rhode Island Department of Transportation fail to reach the agreement specified under paragraph (1), the Administrator of the Federal Railroad Administration shall, after consultation with both parties, resolve any outstanding disagreements between the parties, including setting access fees and other costs or charges related to the operation of the South County commuter rail service that do not allow for the cross-subsidization of intercity rail passenger and commuter rail passenger service, not later than January 30, 2008.

(3) INTERIM AGREEMENT.—Any agreement between Amtrak and the Rhode Island Department of Transportation relating to access costs made under this subsection shall be superseded by any access cost formula developed by the Northeast Corridor Infrastructure and Operations Advisory Commission under section 24905(c)(1) of title 49, United States Code, as amended by section 214(a) of this Act.

SEC. 215. RESTRUCTURING LONG-TERM DEBT AND CAPITAL LEASES.

(a) IN GENERAL.—The Secretary of the Treasury, in consultation with the Secretary of Transportation and Amtrak, may make agreements to restructure Amtrak's indebtedness as of the date of enactment of this Act. This authorization expires on October 1, 2008.

(b) DEBT RESTRUCTURING.—The Secretary of Treasury, in consultation with the Secretary of the Transportation and Amtrak,

shall enter into negotiations with the holders of Amtrak debt, including leases, outstanding on the date of enactment of this Act for the purpose of restructuring (including repayment) and repaying that debt. The Secretary of the Treasury may secure agreements for restructuring or repayment on such terms as the Secretary of the Treasury deems favorable to the interests of the Government.

(c) CRITERIA.—In restructuring Amtrak's indebtedness, the Secretary and Amtrak—

(1) shall take into consideration repayment costs, the term of any loan or loans, and market conditions; and

(2) shall ensure that the restructuring results in significant savings to Amtrak and the United States Government.

(d) PAYMENT OF RENEGOTIATED DEBT.—If the criteria under subsection (c) are met, the Secretary of Treasury may assume or repay the restructured debt, as appropriate.

(e) AMTRAK PRINCIPAL AND INTEREST PAYMENTS.—

(1) PRINCIPAL ON DEBT SERVICE.—Unless the Secretary of Treasury makes sufficient payments to creditors under subsection (d) so that Amtrak is required to make no payments to creditors in a fiscal year, the Secretary of Transportation shall use funds authorized by section 103(a)(1) for the use of Amtrak for retirement of principal on loans for capital equipment, or capital leases.

(2) INTEREST ON DEBT.—Unless the Secretary of Treasury makes sufficient payments to creditors under subsection (d) so that Amtrak is required to make no payments to creditors in a fiscal year, the Secretary of Transportation shall use funds authorized by section 103(a)(2) for the use of Amtrak for the payment of interest on loans for capital equipment, or capital leases.

(3) REDUCTIONS IN AUTHORIZATION LEVELS.—Whenever action taken by the Secretary of the Treasury under subsection (a) results in reductions in amounts of principal or interest that Amtrak must service on existing debt, the corresponding amounts authorized by section 103(a)(1) or (2) shall be reduced accordingly.

(f) LEGAL EFFECT OF PAYMENTS UNDER THIS SECTION.—The payment of principal and interest on secured debt, other than debt assumed under subsection (d), with the proceeds of grants under subsection (e) shall not—

(1) modify the extent or nature of any indebtedness of the National Railroad Passenger Corporation to the United States in existence of the date of enactment of this Act;

(2) change the private nature of Amtrak's or its successors' liabilities; or

(3) imply any Federal guarantee or commitment to amortize Amtrak's outstanding indebtedness.

(g) SECRETARY APPROVAL.—Amtrak may not incur more debt after the date of enactment of this Act without the express advance approval of the Secretary of Transportation.

(h) REPORT.—The Secretary of the Treasury shall transmit a report to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Appropriations by November 1, 2008—

(1) describing in detail any agreements to restructure the Amtrak debt; and

(2) providing an estimate of the savings to Amtrak and the United States Government.

SEC. 216. STUDY OF COMPLIANCE REQUIREMENTS AT EXISTING INTERCITY RAIL STATIONS.

Amtrak, in consultation with station owners, shall evaluate the improvements necessary to make all existing stations it serves readily accessible to and usable by individuals with disabilities, as required by section 242(e)(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12162(e)(2)). The evaluation shall include the estimated cost of the improvements necessary, the identification of the responsible person (as defined in section 241(5) of that Act (42 U.S.C. 12161(5))), and the earliest practicable date when such improvements can be made. Amtrak shall submit the evaluation to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the National Council on Disability by September 30, 2008, along with recommendations for funding the necessary improvements.

SEC. 217. INCENTIVE PAY.

The Amtrak Board of Directors is encouraged to develop an incentive pay program for Amtrak management employees.

SEC. 218. ACCESS TO AMTRAK EQUIPMENT AND SERVICES.

If a State desires to select or selects an entity other than Amtrak to provide services required for the operation of an intercity passenger train route described in section 24102(5)(D) or 24702 of title 49, United States Code, the State may make an agreement with Amtrak to use facilities and equipment of, or have services provided by, Amtrak under terms agreed to by the State and Amtrak to enable the State to utilize an entity other than Amtrak to provide services required for operation of the route. If the parties cannot agree upon terms, and the Surface Transportation Board finds that access to Amtrak's facilities or equipment, or the provision of services by Amtrak, is necessary to carry out this provision and that the operation of Amtrak's other services will not be impaired thereby, the Surface Transportation Board shall, within 120 days after submission of the dispute, issue an order that the facilities and equipment be made available, and that services be provided, by Amtrak, and shall determine reasonable compensation, liability and other terms for use of the facilities and equipment and provision of the services. Compensation shall be determined in accord with the methodology established pursuant to section 206 of this Act.

SEC. 219. GENERAL AMTRAK PROVISIONS.

(a) REPEAL OF SELF-SUFFICIENCY REQUIREMENTS.

(1) TITLE 49 AMENDMENTS.—Chapter 241 is amended—

(A) by striking the last sentence of section 24101(d); and

(B) by striking the last sentence of section 24104(a).

(2) AMTRAK REFORM AND ACCOUNTABILITY ACT AMENDMENTS.—Title II of the Amtrak Reform and Accountability Act of 1997 (49 U.S.C. 24101 nt) is amended by striking sections 204 and 205.

(b) LEASE ARRANGEMENTS.—Amtrak may obtain services from the Administrator of General Services, and the Administrator may provide services to Amtrak, under section 201(b) and 211(b) of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 481(b) and 491(b)) for each of fiscal years 2007 through 2012.

SEC. 220. PRIVATE SECTOR FUNDING OF PASSENGER TRAINS.

Amtrak is encouraged to increase its operation of trains funded by the private sector in order to minimize its need for Federal subsidies. Amtrak shall utilize the provisions of section 24308 of title 49, United States Code, when necessary to obtain access to facilities, train and engine crews, or services of a rail carrier or regional transportation authority that are required to operate such trains.

SEC. 221. ON-BOARD SERVICE IMPROVEMENTS.

(a) IN GENERAL.—Within 1 year after metrics and standards are established under section 208 of this Act, Amtrak shall develop and implement a plan to improve on-board service pursuant to the metrics and standards for such service developed under that section.

(b) REPORT.—Amtrak shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the on-board service improvements proscribed in the plan and the timeline for implementing such improvements.

SEC. 222. AMTRAK MANAGEMENT ACCOUNTABILITY.

(a) IN GENERAL.—Chapter 243 is amended by inserting after section 24309 the following:

"§ 24310. Management accountability

''(a) IN GENERAL.—Three years after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007, and two years thereafter, the Inspector General of the Department of Transportation shall complete an overall assessment of the progress made by Amtrak management and the Department of Transportation in implementing the provisions of that Act.

''(b) ASSESSMENT.—The management assessment undertaken by the Inspector General may include a review of—

''(1) effectiveness improving annual financial planning;

''(2) effectiveness in implementing improved financial accounting;

''(3) efforts to implement minimum train performance standards;

''(4) progress maximizing revenues and minimizing Federal subsidies; and

''(5) any other aspect of Amtrak operations the Inspector General finds appropriate to review.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 243 is amended by inserting after the item relating to section 24309 the following:

''24310. Management accountability''.

TITLE III—INTERCITY PASSENGER RAIL POLICY

SEC. 301. CAPITAL ASSISTANCE FOR INTERCITY PASSENGER RAIL SERVICE; STATE RAIL PLANS.

(a) IN GENERAL.—Part C of subtitle V is amended by inserting the following after chapter 243:

''CHAPTER 244. INTERCITY PASSENGER RAIL SERVICE CORRIDOR CAPITAL ASSISTANCE

''Sec.
''24401. Definitions.
''24402. Capital investment grants to support intercity passenger rail service.
''24403. Project management oversight
''24404. Use of capital grants to finance first-dollar liability of grant project.
''24405. Grant conditions.

"§ 24401. Definitions

''In this subchapter:

''(1) APPLICANT.—The term 'applicant' means a State (including the District of Columbia), a group of States, an Interstate Compact, or a public agency established by one or more States and having responsibility for providing intercity passenger rail service.

''(2) CAPITAL PROJECT.—The term 'capital project' means a project or program in a State rail plan developed under chapter 225 of this title for—

''(A) acquiring, constructing, improving, or inspecting equipment, track and track structures, or a facility for use in or for the primary benefit of intercity passenger rail service, expenses incidental to the acquisition or

construction (including designing, engineering, location surveying, mapping, environmental studies, and acquiring rights-of-way), payments for the capital portions of rail trackage rights agreements, highway-rail grade crossing improvements related to intercity passenger rail service, security, mitigating environmental impacts, communication and signalization improvements, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;

''(B) rehabilitating, remanufacturing or overhauling rail rolling stock and facilities used primarily in intercity passenger rail service;

''(C) costs associated with developing State rail plans; and

''(D) the first-dollar liability costs for insurance related to the provision of intercity passenger rail service under section 24404.

''(3) INTERCITY PASSENGER RAIL SERVICE.—The term 'intercity passenger rail service' means transportation services with the primary purpose of passenger transportation between towns, cities and metropolitan areas by rail, including high-speed rail, as defined in section 24102 of title 49, United States Code.

''§ 24402. Capital investment grants to support intercity passenger rail service.

''(a) GENERAL AUTHORITY.—

''(1) The Secretary of Transportation may make grants under this section to an applicant to assist in financing the capital costs of facilities and equipment necessary to provide or improve intercity passenger rail transportation.

''(2) The Secretary shall require that a grant under this section be subject to the terms, conditions, requirements, and provisions the Secretary decides are necessary or appropriate for the purposes of this section, including requirements for the disposition of net increases in value of real property resulting from the project assisted under this section and shall prescribe procedures and schedules for the awarding of grants under this title, including application and qualification procedures and a record of decision on applicant eligibility. The Secretary shall issue a final rule establishing such procedures not later than 90 days after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007.

''(b) PROJECT AS PART OF STATE RAIL PLAN.—

''(1) The Secretary may not approve a grant for a project under this section unless the Secretary finds that the project is part of a State rail plan developed under chapter 225 of this title, or under the plan required by section 203 of the Passenger Rail Investment and Improvement Act of 2007, and that the applicant or recipient has or will have the legal, financial, and technical capacity to carry out the project, satisfactory continuing control over the use of the equipment or facilities, and the capability and willingness to maintain the equipment or facilities.

''(2) An applicant shall provide sufficient information upon which the Secretary can make the findings required by this subsection.

''(3) If an applicant has not selected the proposed operator of its service competitively, the applicant shall provide written justification to the Secretary showing why the proposed operator is the best, taking into account price and other factors, and that use of the proposed operator will not unnecessarily increase the cost of the project.

''(c) PROJECT SELECTION CRITERIA.—The Secretary, in selecting the recipients of financial assistance to be provided under subsection (a), shall—

''(1) require that each proposed project meet all safety and security requirements that are applicable to the project under law;

''(2) give preference to projects with high levels of estimated ridership, increased on-time performance, reduced trip time, additional service frequency to meet anticipated or existing demand, or other significant service enhancements as measured against minimum standards developed under section 208 of the Passenger Rail Investment and Improvement Act of 2007;

''(3) encourage intermodal connectivity through projects that provide direct connections between train stations, airports, bus terminals, subway stations, ferry ports, and other modes of transportation;

''(4) ensure that each project is compatible with, and is operated in conformance with—

''(A) plans developed pursuant to the requirements of section 135 of title 23, United States Code; and

''(B) the national rail plan (if it is available); and

''(5) favor the following kinds of projects:

''(A) Projects that are expected to have a significant favorable impact on air or highway traffic congestion, capacity, or safety.

''(B) Projects that also improve freight or commuter rail operations.

''(C) Projects that have significant environmental benefits.

''(D) Projects that are—

''(i) at a stage of preparation that all precommencement compliance with environmental protection requirements has already been completed; and

''(ii) ready to be commenced.

''(E) Projects with positive economic and employment impacts.

''(F) Projects that encourage the use of positive train control technologies.

''(G) Projects that have commitments of funding from non-Federal Government sources in a total amount that exceeds the minimum amount of the non-Federal contribution required for the project.

''(H) Projects that involve donated property interests or services.

''(I) Projects that are identified by the Surface Transportation Board as necessary to improve the on time performance and reliability of intercity passenger rail under section 24308(f).

''(d) AMTRAK ELIGIBILITY.—To receive a grant under this section, the National Railroad Passenger Corporation may enter into a cooperative agreement with 1 or more States to carry out 1 or more projects on a State rail plan's ranked list of rail capital projects developed under section 22504(a)(5) of this title.

''(e) LETTERS OF INTENT, FULL FUNDING GRANT AGREEMENTS, AND EARLY SYSTEMS WORK AGREEMENTS.—

''(1)(A) The Secretary may issue a letter of intent to an applicant announcing an intention to obligate, for a major capital project under this section, an amount from future available budget authority specified in law that is not more than the amount stipulated as the financial participation of the Secretary in the project.

''(B) At least 30 days before issuing a letter under subparagraph (A) of this paragraph or entering into a full funding grant agreement, the Secretary shall notify in writing the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate and the House and Senate Committees on Appropriations of the proposed letter or agreement. The Secretary shall include with the notification a copy of the proposed letter or agreement as well as the evaluations and ratings for the project.

''(C) An obligation or administrative commitment may be made only when amounts are appropriated.

''(2)(A) The Secretary may make a full funding grant agreement with an applicant. The agreement shall—

''(i) establish the terms of participation by the United States Government in a project under this section;

''(ii) establish the maximum amount of Government financial assistance for the project;

''(iii) cover the period of time for completing the project, including a period extending beyond the period of an authorization; and

''(iv) make timely and efficient management of the project easier according to the law of the United States.

''(B) An agreement under this paragraph obligates an amount of available budget authority specified in law and may include a commitment, contingent on amounts to be specified in law in advance for commitments under this paragraph, to obligate an additional amount from future available budget authority specified in law. The agreement shall state that the contingent commitment is not an obligation of the Government and is subject to the availability of appropriations made by Federal law and to Federal laws in force on or enacted after the date of the contingent commitment. Interest and other financing costs of efficiently carrying out a part of the project within a reasonable time are a cost of carrying out the project under a full funding grant agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms.

''(3)(A) The Secretary may make an early systems work agreement with an applicant if a record of decision under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) has been issued on the project and the Secretary finds there is reason to believe—

''(i) a full funding grant agreement for the project will be made; and

''(ii) the terms of the work agreement will promote ultimate completion of the project more rapidly and at less cost.

''(B) A work agreement under this paragraph obligates an amount of available budget authority specified in law and shall provide for reimbursement of preliminary costs of carrying out the project, including land acquisition, timely procurement of system elements for which specifications are decided, and other activities the Secretary decides are appropriate to make efficient, long-term project management easier. A work agreement shall cover the period of time the Secretary considers appropriate. The period may extend beyond the period of current authorization. Interest and other financing costs of efficiently carrying out the work agreement within a reasonable time are a cost of carrying out the agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a way satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financing terms. If an applicant does not carry out the project for reasons within the control of the applicant, the applicant shall repay all Government payments made under the work

agreement plus reasonable interest and penalty charges the Secretary establishes in the agreement.

''(4) The total estimated amount of future obligations of the Government and contingent commitments to incur obligations covered by all outstanding letters of intent, full funding grant agreements, and early systems work agreements may be not more than the amount authorized under section 101(c) of Passenger Rail Investment and Improvement Act of 2007, less an amount the Secretary reasonably estimates is necessary for grants under this section not covered by a letter. The total amount covered by new letters and contingent commitments included in full funding grant agreements and early systems work agreements may be not more than a limitation specified in law.

''(f) FEDERAL SHARE OF NET PROJECT COST.—

''(1)(A) Based on engineering studies, studies of economic feasibility, and information on the expected use of equipment or facilities, the Secretary shall estimate the net project cost.

''(B) A grant for the project shall not exceed 80 percent of the project net capital cost.

''(C) The Secretary shall give priority in allocating future obligations and contingent commitments to incur obligations to grant requests seeking a lower Federal share of the project net capital cost.

''(2) Up to an additional 20 percent of the required non-Federal funds may be funded from amounts appropriated to or made available to a department or agency of the Federal Government that are eligible to be expended for transportation.

''(3) 50 percent of the average amounts expended by a State or group of States (including the District of Columbia) for capital projects to benefit intercity passenger rail service in fiscal years 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded under this section. The Secretary may require such information as necessary to verify such expenditures.

''(4) 50 percent of the average amounts expended by a State or group of States (including the District of Columbia) in a fiscal year beginning in 2007 for capital projects to benefit intercity passenger rail service or for the operating costs of such service above the average of expenditures made for such service in fiscal years 2004, 2005, and 2006 shall be credited towards the matching requirements for grants awarded under this section. The Secretary may require such information as necessary to verify such expenditures.

''(g) UNDERTAKING PROJECTS IN ADVANCE.—

''(1) The Secretary may pay the Federal share of the net capital project cost to an applicant that carries out any part of a project described in this section according to all applicable procedures and requirements if—

''(A) the applicant applies for the payment;

''(B) the Secretary approves the payment; and

''(C) before carrying out the part of the project, the Secretary approves the plans and specifications for the part in the same way as other projects under this section.

''(2) The cost of carrying out part of a project includes the amount of interest earned and payable on bonds issued by the applicant to the extent proceeds of the bonds are expended in carrying out the part. However, the amount of interest under this paragraph may not be more than the most favorable interest terms reasonably available for the project at the time of borrowing. The applicant shall certify, in a manner satisfactory to the Secretary, that the applicant has shown reasonable diligence in seeking the most favorable financial terms.

''(3) The Secretary shall consider changes in capital project cost indices when determining the estimated cost under paragraph (2) of this subsection.

''(h) 2-YEAR AVAILABILITY.—Funds appropriated under this section shall remain available until expended. If any amount provided as a grant under this section is not obligated or expended for the purposes described in subsection (a) within 2 years after the date on which the State received the grant, such sums shall be returned to the Secretary for other intercity passenger rail development projects under this section at the discretion of the Secretary.

''(i) PUBLIC-PRIVATE PARTNERSHIPS.—

''(1) IN GENERAL.—A metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project funded with a grant under this title.

''(2) FORMS OF PARTICIPATION.—Participation by an entity under paragraph (1) may consist of—

''(A) ownership or operation of any land, facility, locomotive, rail car, vehicle, or other physical asset associated with the project;

''(B) cost-sharing of any project expense;

''(C) carrying out administration, construction management, project management, project operation, or any other management or operational duty associated with the project; and

''(D) any other form of participation approved by the Secretary.

''(3) SUB-ALLOCATION.—A State may allocate funds under this section to any entity described in paragraph (1).

''(j) SPECIAL TRANSPORTATION CIRCUMSTANCES.—In carrying out this section, the Secretary shall allocate an appropriate portion of the amounts available under this section to provide grants to States—

''(1) in which there is no intercity passenger rail service for the purpose of funding freight rail capital projects that are on a State rail plan developed under chapter 225 of this title that provide public benefits (as defined in chapter 225) as determined by the Secretary; or

''(2) in which the rail transportation system is not physically connected to rail systems in the continental United States or may not otherwise qualify for a grant under this section due to the unique characteristics of the geography of that State or other relevant considerations, for the purpose of funding transportation-related capital projects.

''(k) SMALL CAPITAL PROJECTS.—The Secretary shall make available $10,000,000 annually from the amounts authorized under section 101(c) of the Passenger Rail Investment and Improvement Act of 2007 beginning in fiscal year 2008 for grants for capital projects eligible under this section not exceeding $2,000,000, including costs eligible under section 206(c) of that Act. The Secretary may wave requirements of this section, including state rail plan requirements, as appropriate.

''§ 24403. Project management oversight

''(a) PROJECT MANAGEMENT PLAN REQUIREMENTS.—To receive Federal financial assistance for a major capital project under this subchapter, an applicant must prepare and carry out a project management plan approved by the Secretary of Transportation. The plan shall provide for—

''(1) adequate recipient staff organization with well-defined reporting relationships, statements of functional responsibilities, job descriptions, and job qualifications;

''(2) a budget covering the project management organization, appropriate consultants, property acquisition, utility relocation, systems demonstration staff, audits, and miscellaneous payments the recipient may be prepared to justify;

''(3) a construction schedule for the project;

''(4) a document control procedure and recordkeeping system;

''(5) a change order procedure that includes a documented, systematic approach to handling the construction change orders;

''(6) organizational structures, management skills, and staffing levels required throughout the construction phase;

''(7) quality control and quality assurance functions, procedures, and responsibilities for construction, system installation, and integration of system components;

''(8) material testing policies and procedures;

''(9) internal plan implementation and reporting requirements;

''(10) criteria and procedures to be used for testing the operational system or its major components;

''(11) periodic updates of the plan, especially related to project budget and project schedule, financing, and ridership estimates; and

''(12) the recipient's commitment to submit a project budget and project schedule to the Secretary each month.

''(b) SECRETARIAL OVERSIGHT.—

''(1) The Secretary may use no more than 0.5 percent of amounts made available in a fiscal year for capital projects under this subchapter to enter into contracts to oversee the construction of such projects.

''(2) The Secretary may use amounts available under paragraph (1) of this subsection to make contracts for safety, procurement, management, and financial compliance reviews and audits of a recipient of amounts under paragraph (1).

''(3) The Federal Government shall pay the entire cost of carrying out a contract under this subsection.

''(c) ACCESS TO SITES AND RECORDS.—Each recipient of assistance under this subchapter shall provide the Secretary and a contractor the Secretary chooses under subsection (c) of this section with access to the construction sites and records of the recipient when reasonably necessary.

''§ 24404. Use of capital grants to finance first-dollar liability of grant project

''Notwithstanding the requirements of section 24402 of this subchapter, the Secretary of Transportation may approve the use of capital assistance under this subchapter to fund self-insured retention of risk for the first tier of liability insurance coverage for rail passenger service associated with the capital assistance grant, but the coverage may not exceed $20,000,000 per occurrence or $20,000,000 in aggregate per year.

''§ 24405. Grant conditions

''(a) DOMESTIC BUYING PREFERENCE.—

''(1) REQUIREMENT.—

''(A) IN GENERAL.—In carrying out a project funded in whole or in part with a grant under this title, the grant recipient shall purchase only—

''(i) unmanufactured articles, material, and supplies mined or produced in the United States; or

''(ii) manufactured articles, material, and supplies manufactured in the United States substantially from articles, material, and supplies mined, produced, or manufactured in the United States.

''(B) DE MINIMIS AMOUNT.—Subparagraph (1) applies only to a purchase in an total amount that is not less than $1,000,000.

''(2) EXEMPTIONS.—On application of a recipient, the Secretary may exempt a recipient from the requirements of this subsection

if the Secretary decides that, for particular articles, material, or supplies—

''(A) such requirements are inconsistent with the public interest;

''(B) the cost of imposing the requirements is unreasonable; or

''(C) the articles, material, or supplies, or the articles, material, or supplies from which they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and are not of a satisfactory quality.

''(3) UNITED STATES DEFINED.—In this subsection, the term 'the United States' means the States, territories, and possessions of the United States and the District of Columbia.

''(b) OPERATORS DEEMED RAIL CARRIERS AND EMPLOYERS FOR CERTAIN PURPOSES.—A person that conducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made under this title shall be considered a rail carrier as defined in section 10102(5) of this title for purposes of this title and any other statute that adopts the that definition or in which that definition applies, including—

''(1) the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.); and

''(2) the Railway Labor Act (43 U.S.C. 151 et seq.).

''(c) GRANT CONDITIONS.—The Secretary shall require as a condition of making any grant under this title for a project that uses rights-of-way owned by a railroad that—

''(1) a written agreement exist between the applicant and the railroad regarding such use and ownership, including—

''(A) any compensation for such use;

''(B) assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; and

''(C) an assurance by the railroad that collective bargaining agreements with the railroad's employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor;

''(D) an assurance that an applicant complies with liability requirements consistent with section 28103 of this title; and

''(2) the applicant agrees to comply with—

''(A) the standards of section 24312 of this title, as such section was in effect on September 1, 2003, with respect to the project in the same manner that the National Railroad Passenger Corporation is required to comply with those standards for construction work financed under an agreement made under section 24308(a) of this title; and

''(B) the protective arrangements established under section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 836) with respect to employees affected by actions taken in connection with the project to be financed in whole or in part by grants under this subchapter.

''(d) REPLACEMENT OF EXISTING INTERCITY PASSENGER RAIL SERVICE.—

''(1) COLLECTIVE BARGAINING AGREEMENT FOR INTERCITY PASSENGER RAIL PROJECTS.—Any entity providing intercity passenger railroad transportation that begins operations after the date of enactment of this Act on a project funded in whole or in part by grants made under this title and replaces intercity rail passenger service that was provided by Amtrak, unless such service was provided solely by Amtrak to another entity, as of such date shall enter into an agreement with the authorized bargaining agent or agents for adversely affected employees of the predecessor provider that—

''(A) gives each such qualified employee of the predecessor provider priority in hiring according to the employee's seniority on the predecessor provider for each position with the replacing entity that is in the employee's craft or class and is available within 3 years after the termination of the service being replaced;

''(B) establishes a procedure for notifying such an employee of such positions;

''(C) establishes a procedure for such an employee to apply for such positions; and

''(D) establishes rates of pay, rules, and working conditions.

''(2) IMMEDIATE REPLACEMENT SERVICE.—

''(A) NEGOTIATIONS.—If the replacement of preexisting intercity rail passenger service occurs concurrent with or within a reasonable time before the commencement of the replacing entity's rail passenger service, the replacing entity shall give written notice of its plan to replace existing rail passenger service to the authorized collective bargaining agent or agents for the potentially adversely affected employees of the predecessor provider at least 90 days before the date on which it plans to commence service. Within 5 days after the date of receipt of such written notice, negotiations between the replacing entity and the collective bargaining agent or agents for the employees of the predecessor provider shall commence for the purpose of reaching agreement with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1). The negotiations shall continue for 30 days or until an agreement is reached, whichever is sooner. If at the end of 30 days the parties have not entered into an agreement with respect to all such matters, the unresolved issues shall be submitted for arbitration in accordance with the procedure set forth in subparagraph (B).

''(B) ARBITRATION.—If an agreement has not been entered into with respect to all matters set forth in subparagraphs (A) through (D) of paragraph (1) as described in subparagraph (A) of this paragraph, the parties shall select an arbitrator. If the parties are unable to agree upon the selection of such arbitrator within 5 days, either or both parties shall notify the National Mediation Board, which shall provide a list of seven arbitrators with experience in arbitrating rail labor protection disputes. Within 5 days after such notification, the parties shall alternately strike names from the list until only 1 name remains, and that person shall serve as the neutral arbitrator. Within 45 days after selection of the arbitrator, the arbitrator shall conduct a hearing on the dispute and shall render a decision with respect to the unresolved issues among the matters set forth in subparagraphs (A) through (D) of paragraph (1). This decision shall be final, binding, and conclusive upon the parties. The salary and expenses of the arbitrator shall be borne equally by the parties; all other expenses shall be paid by the party incurring them.

''(3) SERVICE COMMENCEMENT.—A replacing entity under this subsection shall commence service only after an agreement is entered into with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1) or the decision of the arbitrator has been rendered.

''(4) SUBSEQUENT REPLACEMENT OF SERVICE.—If the replacement of existing rail passenger service takes place within 3 years after the replacing entity commences intercity passenger rail service, the replacing entity and the collective bargaining agent or agents for the adversely affected employees of the predecessor provider shall enter into an agreement with respect to the matters set forth in subparagraphs (A) through (D) of paragraph (1). If the parties have not entered into an agreement with respect to all such matters within 60 days after the date on which the replacing entity replaces the predecessor provider, the parties shall select an arbitrator using the procedures set forth in paragraph (2)(B), who shall, within 20 days after the commencement of the arbitration, conduct a hearing and decide all unresolved issues. This decision shall be final, binding, and conclusive upon the parties.

''(e) INAPPLICABILITY TO CERTAIN RAIL OPERATIONS.— Nothing in this section applies to—

''(1) commuter rail passenger transportation (as defined in section 24102(4) of this title) operations of a State or local government authority (as those terms are defined in section 5302(11) and (6), respectively, of this title) eligible to receive financial assistance under section 5307 of this title, or to its contractor performing services in connection with commuter rail passenger operations (as so defined);

''(2) the Alaska Railroad or its contractors; or

''(3) the National Railroad Passenger Corporation's access rights to railroad rights of way and facilities under current law.''.

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for the title is amended by inserting the following after the item relating to chapter 243:

''244. Intercity passenger rail service capital assistance.....24401''.

(2) The chapter analysis for subtitle V is amended by inserting the following after the item relating to chapter 243:

''244. Intercity passenger rail service capital assistance.....24401''.

SEC. 302. STATE RAIL PLANS.

(a) IN GENERAL.—Part B of subtitle V is amended by adding at the end the following:

''CHAPTER 225. STATE RAIL PLANS AND HIGH PRIORITY PROJECTS

''Sec.
''22501. Definitions
''22502. Authority
''22503. Purposes
''22504. Transparency; coordination; review
''22505. Content
''22506. Review

''§ 22501. Definitions

''In this subchapter:

''(1) PRIVATE BENEFIT.—

''(A) IN GENERAL.—The term 'private benefit'—

''(i) means a benefit accrued to a person or private entity, other than the National Railroad Passenger Corporation, that directly improves the economic and competitive condition of that person or entity through improved assets, cost reductions, service improvements, or any other means as defined by the Secretary; and

''(ii) shall be determined on a project-by-project basis, based upon an agreement between the parties.

''(B) CONSULTATION.—The Secretary may seek the advice of the States and rail carriers in further defining this term.

''(2) PUBLIC BENEFIT.—

''(A) IN GENERAL.—The term 'public benefit'—

''(i) means a benefit accrued to the public in the form of enhanced mobility of people or goods, environmental protection or enhancement, congestion mitigation, enhanced trade and economic development, improved air quality or land use, more efficient energy use, enhanced public safety or security, reduction of public expenditures due to improved transportation efficiency or infrastructure preservation, and any other positive community effects as defined by the Secretary; and

''(ii) shall be determined on a project-by-project basis, based upon an agreement between the parties.

''(B) CONSULTATION.—The Secretary may seek the advice of the States and rail carriers in further defining this term.

''(3) STATE.—The term 'State' means any of the 50 States and the District of Columbia.

''(4) STATE RAIL TRANSPORTATION AUTHORITY.—The term 'State rail transportation authority' means the State agency or official responsible under the direction of the Governor of the State or a State law for preparation, maintenance, coordination, and administration of the State rail plan.''.

''§ 22502. Authority

''(a) IN GENERAL.—Each State may prepare and maintain a State rail plan in accordance with the provisions of this subchapter.

''(b) REQUIREMENTS.—For the preparation and periodic revision of a State rail plan, a State shall—

''(1) establish or designate a State rail transportation authority to prepare, maintain, coordinate, and administer the plan;

''(2) establish or designate a State rail plan approval authority to approve the plan;

''(3) submit the State's approved plan to the Secretary of Transportation for review; and

''(4) revise and resubmit a State-approved plan no less frequently than once every 5 years for reapproval by the Secretary.

''§ 22503. Purposes

''(a) PURPOSES.—The purposes of a State rail plan are as follows:

''(1) To set forth State policy involving freight and passenger rail transportation, including commuter rail operations, in the State.

''(2) To establish the period covered by the State rail plan.

''(3) To present priorities and strategies to enhance rail service in the State that benefits the public.

''(4) To serve as the basis for Federal and State rail investments within the State.

''(b) COORDINATION.—A State rail plan shall be coordinated with other State transportation planning goals and programs and set forth rail transportation's role within the State transportation system.

''§ 22504. Transparency; coordination; review

''(a) PREPARATION.—A State shall provide adequate and reasonable notice and opportunity for comment and other input to the public, rail carriers, commuter and transit authorities operating in, or affected by rail operations within the State, units of local government, and other interested parties in the preparation and review of its State rail plan.

''(b) INTERGOVERNMENTAL COORDINATION.—A State shall review the freight and passenger rail service activities and initiatives by regional planning agencies, regional transportation authorities, and municipalities within the State, or in the region in which the State is located, while preparing the plan, and shall include any recommendations made by such agencies, authorities, and municipalities as deemed appropriate by the State.

''§ 22505. Content

''(a) IN GENERAL.—Each State rail plan shall contain the following:

''(1) An inventory of the existing overall rail transportation system and rail services and facilities within the State and an analysis of the role of rail transportation within the State's surface transportation system.

''(2) A review of all rail lines within the State, including proposed high speed rail corridors and significant rail line segments not currently in service.

''(3) A statement of the State's passenger rail service objectives, including minimum service levels, for rail transportation routes in the State.

''(4) A general analysis of rail's transportation, economic, and environmental impacts in the State, including congestion mitigation, trade and economic development, air quality, land-use, energy-use, and community impacts.

''(5) A long-range rail investment program for current and future freight and passenger infrastructure in the State that meets the requirements of subsection (b).

''(6) A statement of public financing issues for rail projects and service in the State, including a list of current and prospective public capital and operating funding resources, public subsidies, State taxation, and other financial policies relating to rail infrastructure development.

''(7) An identification of rail infrastructure issues within the State that reflects consultation with all relevant stake holders.

''(8) A review of major passenger and freight intermodal rail connections and facilities within the State, including seaports, and prioritized options to maximize service integration and efficiency between rail and other modes of transportation within the State.

''(9) A review of publicly funded projects within the State to improve rail transportation safety and security, including all major projects funded under section 130 of title 23.

''(10) A performance evaluation of passenger rail services operating in the State, including possible improvements in those services, and a description of strategies to achieve those improvements.

''(11) A compilation of studies and reports on high-speed rail corridor development within the State not included in a previous plan under this subchapter, and a plan for funding any recommended development of such corridors in the State.

''(12) A statement that the State is in compliance with the requirements of section 22102.

''(b) LONG-RANGE SERVICE AND INVESTMENT PROGRAM.—

''(1) PROGRAM CONTENT.—A long-range rail investment program included in a State rail plan under subsection (a)(5) shall include the following matters:

''(A) A list of any rail capital projects expected to be undertaken or supported in whole or in part by the State.

''(B) A detailed funding plan for those projects.

''(2) PROJECT LIST CONTENT.—The list of rail capital projects shall contain—

''(A) a description of the anticipated public and private benefits of each such project; and

''(B) a statement of the correlation between—

''(i) public funding contributions for the projects; and

''(ii) the public benefits.

''(3) CONSIDERATIONS FOR PROJECT LIST.—In preparing the list of freight and intercity passenger rail capital projects, a State rail transportation authority should take into consideration the following matters:

''(A) Contributions made by non-Federal and non-State sources through user fees, matching funds, or other private capital involvement.

''(B) Rail capacity and congestion effects.

''(C) Effects on highway, aviation, and maritime capacity, congestion, or safety.

''(D) Regional balance.

''(E) Environmental impact.

''(F) Economic and employment impacts.

''(G) Projected ridership and other service measures for passenger rail projects.

''§ 22506. Review

The Secretary shall prescribe procedures for States to submit State rail plans for review under this title, including standardized format and data requirements. State rail plans completed before the date of enactment of the Passenger Rail Investment and Improvement Act of 2007 that substantially meet the requirements of this chapter, as determined by the Secretary, shall be deemed by the Secretary to have met the requirements of this chapter''.

(b) CONFORMING AMENDMENTS.—

(1) The table of chapters for the title is amended by inserting the following after the item relating to chapter 223:

''225. State rail plans .....22501''.

(2) The chapter analysis for subtitle V is amended by inserting the following after the item relating to chapter 223:

''225. State rail plans .....24401''.

SEC. 303. NEXT GENERATION CORRIDOR TRAIN EQUIPMENT POOL.

(a) IN GENERAL.—Within 180 days after the date of enactment of this Act, Amtrak shall establish a Next Generation Corridor Equipment Pool Committee, comprised of representatives of Amtrak, the Federal Railroad Administration, and interested States. The purpose of the Committee shall be to design, develop specifications for, and procure standardized next-generation corridor equipment.

(b) FUNCTIONS.—The Committee may—

(1) determine the number of different types of equipment required, taking into account variations in operational needs and corridor infrastructure;

(2) establish a pool of equipment to be used on corridor routes funded by participating States; and

(3) subject to agreements between Amtrak and States, utilize services provided by Amtrak to design, maintain and remanufacture equipment.

(c) COOPERATIVE AGREEMENTS.—Amtrak and States participating in the Committee may enter into agreements for the funding, procurement, remanufacture, ownership and management of corridor equipment, including equipment currently owned or leased by Amtrak and next-generation corridor equipment acquired as a result of the Committee's actions, and may establish a corporation, which may be owned or jointly-owned by Amtrak, participating States or other entities, to perform these functions.

(d) FUNDING.—In addition to the authorization provided in section 105 of this Act, capital projects to carry out the purposes of this section shall be eligible for grants made pursuant to chapter 244 of title 49, United States Code.

SEC. 304. FEDERAL RAIL POLICY.

Section 103 is amended—

(1) by inserting ''IN GENERAL.—'' before ''The Federal'' in subsection (a);

(2) by striking the second and third sentences of subsection (a);

(3) by inserting ''ADMINISTRATOR.—'' before ''The head'' in subsection (b);

(4) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively and by inserting after subsection (b) the following:

''(c) SAFETY.—To carry out all railroad safety laws of the United States, the Administration is divided on a geographical basis into at least 8 safety offices. The Secretary of Transportation is responsible for all acts taken under those laws and for ensuring that the laws are uniformly administered and enforced among the safety offices.'';

(5) by inserting ''POWERS AND DUTIES.—'' before ''The'' in subsection (d), as redesignated;

(6) by striking ''and'' after the semicolon in paragraph (1) of subsection (d), as redesignated;

(7) by redesignating paragraph (2) of subsection (d), as redesignated, as paragraph (3) and inserting after paragraph (1) the following:

''(2) the duties and powers related to railroad policy and development under subsection (e); and'';

(8) by inserting ''TRANSFERS OF DUTY.—'' before ''A duty'' in subsection (e), as redesignated;

(9) by inserting ''CONTRACTS, GRANTS, LEASES, COOPERATIVE AGREEMENTS, AND SIMILAR TRANSACTIONS.—'' before ''Subject'' in subsection (f), as redesignated;

(10) by striking the last sentence in subsection (f), as redesignated; and

(11) by adding at the end the following:

''(g) ADDITIONAL DUTIES OF THE ADMINISTRATOR.—The Administrator shall—

''(1) provide assistance to States in developing State rail plans prepared under chapter 225 and review all State rail plans submitted under that section;

''(2) develop a long range national rail plan that is consistent with approved State rail plans and the rail needs of the Nation, as determined by the Secretary in order to promote an integrated, cohesive, efficient, and optimized national rail system for the movement of goods and people;

''(3) develop a preliminary national rail plan within a year after the date of enactment of the Passenger Rail Investment and Improvement Act of 2007;

''(4) develop and enhance partnerships with the freight and passenger railroad industry, States, and the public concerning rail development;

''(5) support rail intermodal development and high-speed rail development, including high speed rail planning;

''(6) ensure that programs and initiatives developed under this section benefit the public and work toward achieving regional and national transportation goals; and

''(7) facilitate and coordinate efforts to assist freight and passenger rail carriers, transit agencies and authorities, municipalities, and States in passenger-freight service integration on shared rights of way by providing neutral assistance at the joint request of affected rail service providers and infrastructure owners relating to operations and capacity analysis, capital requirements, operating costs, and other research and planning related to corridors shared by passenger or commuter rail service and freight rail operations.

''(h) PERFORMANCE GOALS AND REPORTS.—

''(1) PERFORMANCE GOALS.—In conjunction with the objectives established and activities undertaken under section 103(e) of this title, the Administrator shall develop a schedule for achieving specific, measurable performance goals.

''(2) RESOURCE NEEDS.—The strategy and annual plans shall include estimates of the funds and staff resources needed to accomplish each goal and the additional duties required under section 103(e).

''(3) SUBMISSION WITH PRESIDENT'S BUDGET.—Beginning with fiscal year 2009 and each fiscal year thereafter, the Secretary shall submit to Congress, at the same time as the President's budget submission, the Administration's performance goals and schedule developed under paragraph (1), including an assessment of the progress of the Administration toward achieving its performance goals.''.

SEC. 305. RAIL COOPERATIVE RESEARCH PROGRAM.

(a) ESTABLISHMENT AND CONTENT.—Chapter 249 is amended by adding at the end the following:

''§ 24910. Rail cooperative research program

''(a) IN GENERAL.—The Secretary shall establish and carry out a rail cooperative research program. The program shall—

''(1) address, among other matters, intercity rail passenger and freight rail services, including existing rail passenger and freight technologies and speeds, incrementally enhanced rail systems and infrastructure, and new high-speed wheel-on-rail systems and rail security;

''(2) address ways to expand the transportation of international trade traffic by rail, enhance the efficiency of intermodal interchange at ports and other intermodal terminals, and increase capacity and availability of rail service for seasonal freight needs;

''(3) consider research on the interconnectedness of commuter rail, passenger rail, freight rail, and other rail networks; and

''(4) give consideration to regional concerns regarding rail passenger and freight transportation, including meeting research needs common to designated high-speed corridors, long-distance rail services, and regional intercity rail corridors, projects, and entities.

''(b) CONTENT.—The program to be carried out under this section shall include research designed—

''(1) to identify the unique aspects and attributes of rail passenger and freight service;

''(2) to develop more accurate models for evaluating the impact of rail passenger and freight service, including the effects on highway and airport and airway congestion, environmental quality, and energy consumption;

''(3) to develop a better understanding of modal choice as it affects rail passenger and freight transportation, including development of better models to predict utilization;

''(4) to recommend priorities for technology demonstration and development;

''(5) to meet additional priorities as determined by the advisory board established under subsection (c), including any recommendations made by the National Research Council;

''(6) to explore improvements in management, financing, and institutional structures;

''(7) to address rail capacity constraints that affect passenger and freight rail service through a wide variety of options, ranging from operating improvements to dedicated new infrastructure, taking into account the impact of such options on operations;

''(8) to improve maintenance, operations, customer service, or other aspects of intercity rail passenger and freight service;

''(9) to recommend objective methodologies for determining intercity passenger rail routes and services, including the establishment of new routes, the elimination of existing routes, and the contraction or expansion of services or frequencies over such routes;

''(10) to review the impact of equipment and operational safety standards on the further development of high speed passenger rail operations connected to or integrated with non-high speed freight or passenger rail operations; and

''(11) to recommend any legislative or regulatory changes necessary to foster further development and implementation of high speed passenger rail operations while ensuring the safety of such operations that are connected to or integrated with non-high speed freight or passenger rail operations.

''(c) ADVISORY BOARD.—

''(1) ESTABLISHMENT.—In consultation with the heads of appropriate Federal departments and agencies, the Secretary shall establish an advisory board to recommend research, technology, and technology transfer activities related to rail passenger and freight transportation.

''(2) MEMBERSHIP.—The advisory board shall include—

''(A) representatives of State transportation agencies;

''(B) transportation and environmental economists, scientists, and engineers; and

''(C) representatives of Amtrak, the Alaska Railroad, freight railroads, transit operating agencies, intercity rail passenger agencies, railway labor organizations, and environmental organizations.

''(d) NATIONAL ACADEMY OF SCIENCES.— The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities relating to the research, technology, and technology transfer activities described in subsection (b) as the Secretary deems appropriate.''.

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 249 is amended by adding at the end the following:

''24910. Rail cooperative research program''.

TITLE IV—PASSENGER RAIL SECURITY AND SAFETY

SEC. 400. SHORT TITLE.

This title may be cited as the ''Surface Transportation and Rail Security Act of 2007''.

SEC. 401. RAIL TRANSPORTATION SECURITY RISK ASSESSMENT.

(a) IN GENERAL.—

(1) VULNERABILITY AND RISK ASSESSMENT.—The Secretary of Homeland Security shall establish a task force, including the Transportation Security Administration, the Department of Transportation, and other appropriate agencies, to complete a vulnerability and risk assessment of freight and passenger rail transportation (encompassing railroads, as that term is defined in section 20102(1) of title 49, United States Code). The assessment shall include—

(A) a methodology for conducting the risk assessment, including timelines, that addresses how the Department of Homeland Security will work with the entities describe in subsection (b) and make use of existing Federal expertise within the Department of Homeland Security, the Department of Transportation, and other appropriate agencies;

(B) identification and evaluation of critical assets and infrastructures;

(C) identification of vulnerabilities and risks to those assets and infrastructures;

(D) identification of vulnerabilities and risks that are specific to the transportation of hazardous materials via railroad;

(E) identification of security weaknesses in passenger and cargo security, transportation infrastructure, protection systems, procedural policies, communications systems, employee training, emergency response planning, and any other area identified by the assessment; and

(F) an account of actions taken or planned by both public and private entities to address identified rail security issues and assess the effective integration of such actions.

(2) RECOMMENDATIONS.—Based on the assessment conducted under paragraph (1), the Secretary, in consultation with the Secretary of Transportation, shall develop prioritized recommendations for improving rail security, including any recommendations the Secretary has for—

(A) improving the security of rail tunnels, rail bridges, rail switching and car storage areas, other rail infrastructure and facilities, information systems, and other areas identified by the Secretary as posing significant rail-related risks to public safety and the movement of interstate commerce, taking into account the impact that any proposed security measure might have on the provision of rail service;

(B) deploying equipment to detect explosives and hazardous chemical, biological, and radioactive substances, and any appropriate countermeasures;

(C) training appropriate railroad or railroad shipper employees in terrorism prevention, passenger evacuation, and response activities;

(D) conducting public outreach campaigns on passenger railroads;

(E) deploying surveillance equipment; and

(F) identifying the immediate and long-term costs of measures that may be required to address those risks.

(3) PLANS.—The report required by subsection (c) shall include—

(A) a plan, developed in consultation with the freight and intercity passenger railroads, and State and local governments, for the Federal government to provide increased security support at high or severe threat levels of alert;

(B) a plan for coordinating existing and planned rail security initiatives undertaken by the public and private sectors; and

(C) a contingency plan, developed in conjunction with freight and intercity and commuter passenger railroads, to ensure the continued movement of freight and passengers in the event of an attack affecting the railroad system, which shall contemplate—

(i) the possibility of rerouting traffic due to the loss of critical infrastructure, such as a bridge, tunnel, yard, or station; and

(ii) methods of continuing railroad service in the Northeast Corridor in the event of a commercial power loss, or catastrophe affecting a critical bridge, tunnel, yard, or station.

(b) CONSULTATION; USE OF EXISTING RESOURCES.—In carrying out the assessment and developing the recommendations and plans required by subsection (a), the Secretary of Homeland Security shall consult with rail management, rail labor, owners or lessors of rail cars used to transport hazardous materials, first responders, shippers of hazardous materials, public safety officials, and other relevant parties.

(c) REPORT.—

(1) CONTENTS.—Within 180 days after the date of enactment of this Act, the Secretary shall transmit to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Homeland Security a report containing the assessment, prioritized recommendations, and plans required by subsection (a) and an estimate of the cost to implement such recommendations.

(2) FORMAT.—The Secretary may submit the report in both classified and redacted formats if the Secretary determines that such action is appropriate or necessary.

(d) ANNUAL UPDATES.—The Secretary, in consultation with the Secretary of Transportation, shall update the assessment and recommendations each year and transmit a report, which may be submitted in both classified and redacted formats, to the Committees named in subsection (c)(1), containing the updated assessment and recommendations.

(e) FUNDING.—Out of funds appropriated pursuant to section 114(u) of title 49, United States Code, as amended by section 416 of this title, there shall be made available to the Secretary of Homeland Security to carry out this section $5,000,000 for fiscal year 2008.

SEC. 402. SYSTEMWIDE AMTRAK SECURITY UPGRADES.

(a) IN GENERAL.—Subject to subsection (c) the Secretary of Homeland Security, in consultation with the Assistant Secretary of Homeland Security (Transportation Security Administration), is authorized to make grants to Amtrak—

(1) to secure major tunnel access points and ensure tunnel integrity in New York, Baltimore, and Washington, DC;

(2) to secure Amtrak trains;

(3) to secure Amtrak stations;

(4) to obtain a watch list identification system approved by the Secretary;

(5) to obtain train tracking and interoperable communications systems that are coordinated to the maximum extent possible;

(6) to hire additional police and security officers, including canine units;

(7) to expand emergency preparedness efforts; and

(8) for employee security training.

(b) CONDITIONS.—The Secretary of Transportation shall disburse funds to Amtrak provided under subsection (a) for projects contained in a systemwide security plan approved by the Secretary of Homeland Security. The plan shall include appropriate measures to address security awareness, emergency response, and passenger evacuation training.

(c) EQUITABLE GEOGRAPHIC ALLOCATION.—The Secretary shall ensure that, subject to meeting the highest security needs on Amtrak's entire system and consistent with the risk assessment required under section 401, stations and facilities located outside of the Northeast Corridor receive an equitable share of the security funds authorized by this section.

(d) AVAILABILITY OF FUNDS.—Out of funds appropriated pursuant to section 114(u) of title 49, United States Code, as amended by section 416 of this title, there shall be made available to the Secretary of Homeland Security and the Assistant Secretary of Homeland Security (Transportation Security Administration) to carry out this section—

(1) $63,500,000 for fiscal year 2008;

(2) $30,000,000 for fiscal year 2009; and

(3) $30,000,000 for fiscal year 2010.

Amounts appropriated pursuant to this subsection shall remain available until expended.

SEC. 403. FIRE AND LIFE-SAFETY IMPROVEMENTS.

(a) LIFE-SAFETY NEEDS.—The Secretary of Transportation, in consultation with the Secretary of Homeland Security, is authorized to make grants to Amtrak for the purpose of making fire and life-safety improvements to Amtrak tunnels on the Northeast Corridor in New York, NY, Baltimore, MD, and Washington, DC.

(b) AUTHORIZATION OF APPROPRIATIONS.—Out of funds appropriated pursuant to section 416(b) of this title, there shall be made available to the Secretary of Transportation for the purposes of carrying out subsection (a) the following amounts:

(1) For the 6 New York tunnels to provide ventilation, electrical, and fire safety technology upgrades, emergency communication and lighting systems, and emergency access and egress for passengers—

(A) $100,000,000 for fiscal year 2008;

(B) $100,000,000 for fiscal year 2009;

(C) $100,000,000 for fiscal year 2010; and

(D) $100,000,000 for fiscal year 2011.

(2) For the Baltimore & Potomac tunnel and the Union tunnel, together, to provide adequate drainage, ventilation, communication, lighting, and passenger egress upgrades—

(A) $10,000,000 for fiscal year 2008;

(B) $10,000,000 for fiscal year 2009;

(C) $10,000,000 for fiscal year 2010; and

(D) $10,000,000 for fiscal year 2011.

(3) For the Washington, DC, Union Station tunnels to improve ventilation, communication, lighting, and passenger egress upgrades—

(A) $8,000,000 for fiscal year 2008;

(B) $8,000,000 for fiscal year 2009;

(C) $8,000,000 for fiscal year 2010; and

(D) $8,000,000 for fiscal year 2011.

(c) INFRASTRUCTURE UPGRADES.—Out of funds appropriated pursuant to section 416(b) of this title, there shall be made available to the Secretary of Transportation for fiscal year 2008 $3,000,000 for the preliminary design of options for a new tunnel on a different alignment to augment the capacity of the existing Baltimore tunnels.

(d) AVAILABILITY OF APPROPRIATED FUNDS.—Amounts made available pursuant to this section shall remain available until expended.

(e) PLANS REQUIRED.—The Secretary of Transportation may not make amounts available to Amtrak for obligation or expenditure under subsection (a)—

(1) until Amtrak has submitted to the Secretary, and the Secretary has approved, an engineering and financial plan for such projects; and

(2) unless, for each project funded pursuant to this section, the Secretary has approved a project management plan prepared by Amtrak addressing appropriate project budget, construction schedule, recipient staff organization, document control and record keeping, change order procedure, quality control and assurance, periodic plan updates, and periodic status reports.

(f) REVIEW OF PLANS.—The Secretary of Transportation shall complete the review of the plans required by paragraphs (1) and (2) of subsection (e) and approve or disapprove the plans within 45 days after the date on which each such plan is submitted by Amtrak. If the Secretary determines that a plan is incomplete or deficient, the Secretary shall notify Amtrak of the incomplete items or deficiencies and Amtrak shall, within 30 days after receiving the Secretary's notification, submit a modified plan for the Secretary's review. Within 15 days after receiving additional information on items previously included in the plan, and within 45 days after receiving items newly included in a modified plan, the Secretary shall either approve the modified plan, or, if the Secretary finds the plan is still incomplete or deficient, the Secretary shall identify in writing to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Homeland Security the portions of the plan the Secretary finds incomplete or deficient, approve all other portions of the plan, obligate the funds associated with those other portions, and execute an agreement with Amtrak within 15 days thereafter on a process for resolving the remaining portions of the plan.

(g) FINANCIAL CONTRIBUTION FROM OTHER TUNNEL USERS.—The Secretary shall, taking into account the need for the timely completion of all portions of the tunnel projects described in subsection (a)—

(1) consider the extent to which rail carriers other than Amtrak use or plan to use the tunnels;

(2) consider the feasibility of seeking a financial contribution from those other rail carriers toward the costs of the projects; and

(3) obtain financial contributions or commitments from such other rail carriers at levels reflecting the extent of their use or planned use of the tunnels, if feasible.

SEC. 404. FREIGHT AND PASSENGER RAIL SECURITY UPGRADES.

(a) SECURITY IMPROVEMENT GRANTS.—The Secretary of Homeland Security, through the Assistant Secretary of Homeland Security (Transportation Security Administration) and other appropriate agencies, is authorized to make grants to freight railroads, the Alaska Railroad, hazardous materials shippers, owners of rail cars used in the transportation of hazardous materials, universities, colleges and research centers, State and local governments (for rail passenger facilities and infrastructure not

owned by Amtrak), and, through the Secretary of Transportation, to Amtrak, for full or partial reimbursement of costs incurred in the conduct of activities to prevent or respond to acts of terrorism, sabotage, or other intercity passenger rail and freight rail security vulnerabilities and risks identified under section 401, including—

(1) security and redundancy for critical communications, computer, and train control systems essential for secure rail operations;

(2) accommodation of rail cargo or passenger screening equipment at the United States-Mexico border, the United States-Canada border, or other ports of entry;

(3) the security of hazardous material transportation by rail;

(4) secure intercity passenger rail stations, trains, and infrastructure;

(5) structural modification or replacement of rail cars transporting high hazard materials to improve their resistance to acts of terrorism;

(6) employee security awareness, preparedness, passenger evacuation, and emergency response training;

(7) public security awareness campaigns for passenger train operations;

(8) the sharing of intelligence and information about security threats;

(9) to obtain train tracking and interoperable communications systems that are coordinated to the maximum extent possible;

(10) to hire additional police and security officers, including canine units; and

(11) other improvements recommended by the report required by section 401, including infrastructure, facilities, and equipment upgrades.

(b) ACCOUNTABILITY.—The Secretary shall adopt necessary procedures, including audits, to ensure that grants made under this section are expended in accordance with the purposes of this title and the priorities and other criteria developed by the Secretary.

(c) ALLOCATION.—The Secretary shall distribute the funds authorized by this section based on risk and vulnerability as determined under section 401, and shall encourage non-Federal financial participation in awarding grants. With respect to grants for intercity passenger rail security, the Secretary shall also take into account passenger volume and whether a station is used by commuter rail passengers as well as intercity rail passengers.

(d) CONDITIONS.—The Secretary of Transportation may not disburse funds to Amtrak under subsection (a) unless Amtrak meets the conditions set forth in section 402(b) of this title.

(e) ALLOCATION BETWEEN RAILROADS AND OTHERS.—Unless as a result of the assessment required by section 401 the Secretary of Homeland Security determines that critical rail transportation security needs require reimbursement in greater amounts to any eligible entity, no grants under this section may be made—

(1) in excess of $45,000,000 to Amtrak; or

(2) in excess of $80,000,000 for the purposes described in paragraphs (3) and (5) of subsection (a).

(f) AUTHORIZATION OF APPROPRIATIONS.—Out of funds appropriated pursuant to section 114(u) of title 49, United States Code, as amended by section 416 of this title,, there shall be made available to the Secretary of Homeland Security to carry out this section—

(1) $100,000,000 for fiscal year 2008;

(2) $100,000,000 for fiscal year 2009; and

(3) $100,000,000 for fiscal year 2010.

Amounts made available pursuant to this subsection shall remain available until expended.

(g) HIGH HAZARD MATERIALS DEFINED.—In this section, the term ''high hazard materials'' means quantities of poison inhalation hazard materials, Class 2.3 gases, Class 6.1 materials, and anhydrous ammonia that the Secretary, in consultation with the Secretary of Transportation, determines pose a security risk.

SEC. 405. RAIL SECURITY RESEARCH AND DEVELOPMENT.

(a) ESTABLISHMENT OF RESEARCH AND DEVELOPMENT PROGRAM.—The Secretary of Homeland Security, through the Under Secretary for Science and Technology and the Assistant Secretary of Homeland Security (Transportation Security Administration), in consultation with the Secretary of Transportation shall carry out a research and development program for the purpose of improving freight and intercity passenger rail security that may include research and development projects to—

(1) reduce the vulnerability of passenger trains, stations, and equipment to explosives and hazardous chemical, biological, and radioactive substances;

(2) test new emergency response techniques and technologies;

(3) develop improved freight technologies, including—

(A) technologies for sealing rail cars;

(B) automatic inspection of rail cars;

(C) communication-based train controls; and

(D) emergency response training;

(4) test wayside detectors that can detect tampering with railroad equipment;

(5) support enhanced security for the transportation of hazardous materials by rail, including—

(A) technologies to detect a breach in a tank car or other rail car used to transport hazardous materials and transmit information about the integrity of cars to the train crew or dispatcher;

(B) research to improve tank car integrity, with a focus on tank cars that carry high hazard materials (as defined in section 404(g) of this title); and

(C) techniques to transfer hazardous materials from rail cars that are damaged or otherwise represent an unreasonable risk to human life or public safety; and

(6) other projects that address vulnerabilities and risks identified under section 401.

(b) COORDINATION WITH OTHER RESEARCH INITIATIVES.—The Secretary of Homeland Security shall ensure that the research and development program authorized by this section is coordinated with other research and development initiatives at the Department of Homeland Security and the Department of Transportation. The Secretary shall carry out any research and development project authorized by this section through a reimbursable agreement with the Secretary of Transportation, if the Secretary of Transportation—

(1) is already sponsoring a research and development project in a similar area; or

(2) has a unique facility or capability that would be useful in carrying out the project.

(c) GRANTS AND ACCOUNTABILITY.—To carry out the research and development program, the Secretary may award grants to the entities described in section 404(a) and shall adopt necessary procedures, including audits, to ensure that grants made under this section are expended in accordance with the purposes of this title and the priorities and other criteria developed by the Secretary.

(d) AUTHORIZATION OF APPROPRIATIONS.—Out of funds appropriated pursuant to section 114(u) of title 49, United States Code, as amended by section 416 of this title,, there shall be made available to the Secretary of Homeland Security to carry out this section—

(1) $33,000,000 for fiscal year 2008;

(2) $33,000,000 for fiscal year 2009; and

(3) $33,000,000 for fiscal year 2010.

Amounts made available pursuant to this subsection shall remain available until expended.

SEC. 406. OVERSIGHT AND GRANT PROCEDURES.

(a) SECRETARIAL OVERSIGHT.—The Secretary of Homeland Security may use up to 0.5 percent of amounts made available for capital projects under this title to enter into contracts for the review of proposed capital projects and related program management plans and to oversee construction of such projects.

(b) USE OF FUNDS.—The Secretary may use amounts available under subsection (a) of this subsection to make contracts to audit and review the safety, procurement, management, and financial compliance of a recipient of amounts under this title.

(c) PROCEDURES FOR GRANT AWARD.—The Secretary shall, within 90 days after the date of enactment of this Act, prescribe procedures and schedules for the awarding of grants under this title, including application and qualification procedures (including a requirement that the applicant have a security plan), and a record of decision on applicant eligibility. The procedures shall include the execution of a grant agreement between the grant recipient and the Secretary and shall be consistent, to the extent practicable, with the grant procedures established under section 70107 of title 46, United States Code.

SEC. 407. AMTRAK PLAN TO ASSIST FAMILIES OF PASSENGERS INVOLVED IN RAIL PASSENGER ACCIDENTS.

(a) IN GENERAL.—Chapter 243 of title 49, United States Code, is amended by adding at the end the following:

''§ 24316. Plans to address needs of families of passengers involved in rail passenger accidents

''(a) SUBMISSION OF PLAN.—Not later than 6 months after the date of the enactment of the Surface Transportation and Rail Security Act of 2007 Amtrak shall submit to the Chairman of the National Transportation Safety Board, the Secretary of Transportation, and the Secretary of Homeland Security a plan for addressing the needs of the families of passengers involved in any rail passenger accident involving an Amtrak intercity train and resulting in a loss of life.

''(b) CONTENTS OF PLANS.—The plan to be submitted by Amtrak under subsection (a) shall include, at a minimum, the following:

''(1) A process by which Amtrak will maintain and provide to the National Transportation Safety Board and the Secretary of Transportation, immediately upon request, a list (which is based on the best available information at the time of the request) of the names of the passengers aboard the train (whether or not such names have been verified), and will periodically update the list. The plan shall include a procedure, with respect to unreserved trains and passengers not holding reservations on other trains, for Amtrak to use reasonable efforts to ascertain the number and names of passengers aboard a train involved in an accident.

''(2) A plan for creating and publicizing a reliable, toll-free telephone number within 4 hours after such an accident occurs, and for providing staff, to handle calls from the families of the passengers.

''(3) A process for notifying the families of the passengers, before providing any public notice of the names of the passengers, by suitably trained individuals.

''(4) A process for providing the notice described in paragraph (2) to the family of a passenger as soon as Amtrak has verified that the passenger was aboard the train (whether or not the names of all of the passengers have been verified).

''(5) A process by which the family of each passenger will be consulted about the disposition of all remains and personal effects of the passenger within Amtrak's control; that any possession of the passenger within Amtrak's control will be returned to the family unless the possession is needed for the accident investigation or any criminal investigation; and that any unclaimed possession of a passenger within Amtrak's control will be retained by the rail passenger carrier for at least 18 months.

''(6) A process by which the treatment of the families of nonrevenue passengers will be the same as the treatment of the families of revenue passengers.

''(7) An assurance that Amtrak will provide adequate training to its employees and agents to meet the needs of survivors and family members following an accident.

''(c) USE OF INFORMATION.—The National Transportation Safety Board, the Secretary of Transportation, and Amtrak may not release any personal information on a list obtained under subsection (b)(1) but may provide information on the list about a passenger to the family of the passenger to the extent that the Board or Amtrak considers appropriate.

''(d) LIMITATION ON LIABILITY.—Amtrak shall not be liable for damages in any action brought in a Federal or State court arising out of the performance of Amtrak in preparing or providing a passenger list, or in providing information concerning a train reservation, pursuant to a plan submitted by Amtrak under subsection (b), unless such liability was caused by Amtrak's conduct.

''(e) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section may be construed as limiting the actions that Amtrak may take, or the obligations that Amtrak may have, in providing assistance to the families of passengers involved in a rail passenger accident.

''(f) FUNDING.—Out of funds appropriated pursuant to section 416(b) of the Surface Transportation and Rail Security Act of 2007, there shall be made available to the Secretary of Transportation for the use of Amtrak $500,000 for fiscal year 2007 to carry out this section. Amounts made available pursuant to this subsection shall remain available until expended.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 243 of title 49, United States Code, is amended by adding at the end the following:

''24316. Plan to assist families of passengers involved in rail passenger accidents.''.

SEC. 408. NORTHERN BORDER RAIL PASSENGER REPORT.

Within 180 days after the date of enactment of this Act, the Secretary of Homeland Security, in consultation with the Assistant Secretary of Homeland Security (Transportation Security Administration), the Secretary of Transportation, heads of other appropriate Federal departments, and agencies and the National Railroad Passenger Corporation, shall transmit a report to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Homeland Security that contains—

(1) a description of the current system for screening passengers and baggage on passenger rail service between the United States and Canada;

(2) an assessment of the current program to provide preclearance of airline passengers between the United States and Canada as outlined in ''The Agreement on Air Transport Preclearance between the Government of Canada and the Government of the United States of America'', dated January 18, 2001;

(3) an assessment of the current program to provide preclearance of freight railroad traffic between the United States and Canada as outlined in the ''Declaration of Principle for the Improved Security of Rail Shipments by Canadian National Railway and Canadian Pacific Railway from Canada to the United States'', dated April 2, 2003;

(4) information on progress by the Department of Homeland Security and other Federal agencies towards finalizing a bilateral protocol with Canada that would provide for preclearance of passengers on trains operating between the United States and Canada;

(5) a description of legislative, regulatory, budgetary, or policy barriers within the United States Government to providing prescreened passenger lists for rail passengers traveling between the United States and Canada to the Department of Homeland Security;

(6) a description of the position of the Government of Canada and relevant Canadian agencies with respect to preclearance of such passengers;

(7) a draft of any changes in existing Federal law necessary to provide for pre-screening of such passengers and providing prescreened passenger lists to the Department of Homeland Security; and

(8) an analysis of the feasibility of reinstating in-transit inspections onboard international Amtrak trains.

SEC. 409. RAIL WORKER SECURITY TRAINING PROGRAM.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Homeland Security and the Secretary of Transportation, in consultation with appropriate law enforcement, security, and terrorism experts, representatives of railroad carriers, and nonprofit employee organizations that represent rail workers, shall develop and issue detailed guidance for a rail worker security training program to prepare front-line workers for potential threat conditions. The guidance shall take into consideration any current security training requirements or best practices.

(b) PROGRAM ELEMENTS.—The guidance developed under subsection (a) shall include elements, as appropriate to passenger and freight rail service, that address the following:

(1) Determination of the seriousness of any occurrence.

(2) Crew communication and coordination.

(3) Appropriate responses to defend or protect oneself.

(4) Use of protective devices.

(5) Evacuation procedures.

(6) Psychology of terrorists to cope with hijacker behavior and passenger responses.

(7) Situational training exercises regarding various threat conditions.

(8) Any other subject the Secretary considers appropriate.

(c) RAILROAD CARRIER PROGRAMS.—Not later than 90 days after the Secretary of Homeland Security issues guidance under subsection (a) in final form, each railroad carrier shall develop a rail worker security training program in accordance with that guidance and submit it to the Secretary for review. Not later than 30 days after receiving a railroad carrier's program under this subsection, the Secretary shall review the program and transmit comments to the railroad carrier concerning any revisions the Secretary considers necessary for the program to meet the guidance requirements. A railroad carrier shall respond to the Secretary's comments within 30 days after receiving them.

(d) TRAINING.—Not later than 1 year after the Secretary reviews the training program developed by a railroad carrier under this section, the railroad carrier shall complete the training of all front-line workers in accordance with that program. The Secretary shall review implementation of the training program of a representative sample of railroad carriers and report to the Senate Committee on Commerce, Science, and Transportation, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Homeland Security on the number of reviews conducted and the results. The Secretary may submit the report in both classified and redacted formats as necessary.

(e) UPDATES.—The Secretary shall update the training guidance issued under subsection (a) as appropriate to reflect new or different security threats. Railroad carriers shall revise their programs accordingly and provide additional training to their front-line workers within a reasonable time after the guidance is updated.

(f) FRONT-LINE WORKERS DEFINED.—In this section, the term ''front-line workers'' means security personnel, dispatchers, train operators, other onboard employees, maintenance and maintenance support personnel, bridge tenders, as well as other appropriate employees of railroad carriers, as defined by the Secretary.

(g) OTHER EMPLOYEES.—The Secretary of Homeland Security shall issue guidance and best practices for a rail shipper employee security program containing the elements listed under subsection (b) as appropriate.

SEC. 410. WHISTLEBLOWER PROTECTION PROGRAM.

(a) IN GENERAL.—Subchapter A of chapter 201 of title 49, United States Code, is amended by inserting after section 20117 the following:

''§ 20118. Whistleblower protection for rail security matters

''(a) DISCRIMINATION AGAINST EMPLOYEE.—No rail carrier engaged in interstate or foreign commerce may discharge a railroad employee or otherwise discriminate against a railroad employee because the employee (or any person acting pursuant to a request of the employee)—

''(1) provided, caused to be provided, or is about to provide or cause to be provided, to the employer or the Federal Government information relating to a reasonably perceived threat, in good faith, to security; or

''(2) provided, caused to be provided, or is about to provide or cause to be provided, testimony before Congress or at any Federal or State proceeding regarding a reasonably perceived threat, in good faith, to security; or

''(3) refused to violate or assist in the violation of any law, rule or regulation related to rail security.

''(b) DISPUTE RESOLUTION.—A dispute, grievance, or claim arising under this section is subject to resolution under section 3 of the Railway Labor Act (45 U.S.C. 153). In a proceeding by the National Railroad Adjustment Board, a division or delegate of the Board, or another board of adjustment established under section 3 to resolve the dispute, grievance, or claim the proceeding shall be expedited and the dispute, grievance, or claim shall be resolved not later than 180 days after it is filed. If the violation is a form of discrimination that does not involve discharge, suspension, or another action affecting pay, and no other remedy is available under this subsection, the Board, division, delegate, or other board of adjustment may award the employee reasonable damages, including punitive damages, of not more than $20,000.

''(c) PROCEDURAL REQUIREMENTS.—Except as provided in subsection (b), the procedure set forth in section 42121(b)(2)(B) of this subtitle, including the burdens of proof, applies to any complaint brought under this section.

''(d) ELECTION OF REMEDIES.—An employee of a railroad carrier may not seek protection under both this section and another provision of law for the same allegedly unlawful act of the carrier.

''(e) DISCLOSURE OF IDENTITY.—

''(1) Except as provided in paragraph (2) of this subsection, or with the written consent of the employee, the Secretary of Transportation may not disclose the name of an employee of a railroad carrier who has provided information about an alleged violation of this section.

''(2) The Secretary shall disclose to the Attorney General the name of an employee described in paragraph (1) of this subsection if the matter is referred to the Attorney General for enforcement.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 201 of title 49, United States Code, is amended by inserting after the item relating to section 20117 the following:

''20118. Whistleblower protection for rail security matters.''.

SEC. 411. HIGH HAZARD MATERIAL SECURITY THREAT MITIGATION PLANS.

(a) IN GENERAL.—The Secretary of Homeland Security, in consultation with the Assistant Secretary of Homeland Security (Transportation Security Administration) and the Secretary of Transportation, shall require rail carriers transporting a high hazard material, as defined in section 404(g) of this title to develop a high hazard material security threat mitigation plan containing appropriate measures, including alternative routing and temporary shipment suspension options, to address assessed risks to high consequence targets. The plan, and any information submitted to the Secretary under this section shall be protected as sensitive security information under the regulations prescribed under section 114(s) of title 49, United States Code.

(b) IMPLEMENTATION.—A high hazard material security threat mitigation plan shall be put into effect by a rail carrier for the shipment of high hazardous materials by rail on the rail carrier's right-of-way when the threat levels of the Homeland Security Advisory System are high or severe and specific intelligence of probable or imminent threat exists towards—

(1) a high-consequence target that is within the catastrophic impact zone of a railroad right-of-way used to transport high hazardous material; or

(2) rail infrastructure or operations within the immediate vicinity of a high-consequence target.

(c) COMPLETION AND REVIEW OF PLANS.—

(1) PLANS REQUIRED.—Each rail carrier shall—

(A) submit a list of routes used to transport high hazard materials to the Secretary of Homeland Security within 60 days after the date of enactment of this Act;

(B) develop and submit a high hazard material security threat mitigation plan to the Secretary within 180 days after it receives the notice of high consequence targets on such routes by the Secretary; and

(C) submit any subsequent revisions to the plan to the Secretary within 30 days after making the revisions.

(2) REVIEW AND UPDATES.—The Secretary, with assistance of the Secretary of Transportation, shall review the plans and transmit comments to the railroad carrier concerning any revisions the Secretary considers necessary. A railroad carrier shall respond to the Secretary's comments within 30 days after receiving them. Each rail carrier shall update and resubmit its plan for review not less than every 2 years.

(d) DEFINITIONS.—In this section:

(1) The term ''high-consequence target'' means a building, buildings, infrastructure, public space, or natural resource designated by the Secretary of Homeland Security that is viable terrorist target of national significance, the attack of which could result in—

(A) catastrophic loss of life; and

(B) significantly damaged national security and defense capabilities; or

(C) national economic harm.

(2) The term ''catastrophic impact zone'' means the area immediately adjacent to, under, or above an active railroad right-of-way used to ship high hazard materials in which the potential release or explosion of the high hazard material being transported would likely cause—

(A) loss of life; or

(B) significant damage to property or structures.

(3) The term ''rail carrier'' has the meaning given that term by section 10102(5) of title 49, United States Code.

SEC. 412. MEMORANDUM OF AGREEMENT.

(a) MEMORANDUM OF AGREEMENT.—Similar to the public transportation security annex between the two departments signed on September 8, 2005, within 1 year after the date of enactment of this Act, the Secretary of Transportation and the Secretary of Homeland Security shall execute and develop an annex to the memorandum of agreement between the two departments signed on September 28, 2004, governing the specific roles, delineations of responsibilities, resources and commitments of the Department of Transportation and the Department of Homeland Security, respectively, in addressing railroad transportation security matters, including the processes the departments will follow to promote communications, efficiency, and nonduplication of effort.

(b) RAIL SAFETY REGULATIONS.—Section 20103(a) of title 49, United States Code, is amended by striking ''safety'' the first place it appears, and inserting ''safety, including security,''.

SEC. 413. RAIL SECURITY ENHANCEMENTS.

(a) RAIL POLICE OFFICERS.—Section 28101 of title 49, United States Code, is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''Under''; and

(2) by striking ''the rail carrier'' each place it appears and inserting ''any rail carrier''.

(b) REVIEW OF RAIL REGULATIONS.—Within 1 year after the date of enactment of this Act, the Secretary of Transportation, in consultation with the Secretary of Homeland Security and the Assistant Secretary of Homeland Security (Transportation Security Administration), shall review existing rail regulations of the Department of Transportation for the purpose of identifying areas in which those regulations need to be revised to improve rail security.

SEC. 414. PUBLIC AWARENESS.

Not later than 90 days after the date of enactment of this Act, the Secretary of Homeland Security, in consultation with the Secretary of Transportation, shall develop a national plan for public outreach and awareness. Such plan shall be designed to increase awareness of measures that the general public, railroad passengers, and railroad employees can take to increase railroad system security. Such plan shall also provide outreach to railroad carriers and their employees to improve their awareness of available technologies, ongoing research and development efforts, and available Federal funding sources to improve railroad security. Not later than 9 months after the date of enactment of this Act, the Secretary of Homeland Security shall implement the plan developed under this section.

SEC. 415. RAILROAD HIGH HAZARD MATERIAL TRACKING.

(a) WIRELESS COMMUNICATIONS.—

(1) IN GENERAL.—In conjunction with the research and development program established under section 405 and consistent with the results of research relating to wireless tracking technologies, the Secretary of Homeland Security, in consultation with the Assistant Secretary of Homeland Security (Transportation Security Administration), shall develop a program that will encourage the equipping of rail cars transporting high hazard materials (as defined in section 404(g) of this title) with wireless terrestrial or satellite communications technology that provides—

(A) car position location and tracking capabilities;

(B) notification of rail car depressurization, breach, or unsafe temperature; and

(C) notification of hazardous material release.

(2) COORDINATION.—In developing the program required by paragraph (1), the Secretary shall—

(A) consult with the Secretary of Transportation to coordinate the program with any ongoing or planned efforts for rail car tracking at the Department of Transportation; and

(B) ensure that the program is consistent with recommendations and findings of the Department of Homeland Security's hazardous material tank rail car tracking pilot programs.

(b) FUNDING.—Out of funds appropriated pursuant to section 114(u) of title 49, United States Code, as amended by section 416 of this title, there shall be made available to the Secretary of Homeland Security to carry out this section $3,000,000 for each of fiscal years 2008, 2009, and 2010.

SEC. 416. AUTHORIZATION OF APPROPRIATIONS.

(a) TRANSPORTATION SECURITY ADMINISTRATION AUTHORIZATION.—Section 114 of title 49, United States Code, is amended by adding at the end thereof the following:

''(u) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Homeland Security for rail security—

''(1) $205,000,000 for fiscal year 2008;

''(2) $166,000,000 for fiscal year 2009; and

''(3) $166,000,000 for fiscal year 2010.''.

(b) DEPARTMENT OF TRANSPORTATION.—There are authorized to be appropriated to the Secretary of Transportation to carry out this title and sections 20118 and 24316 of title 49, United States Code, as added by this title—

(1) $121,000,000 for fiscal year 2008;

(2) $118,000,000 for fiscal year 2009;

(3) $118,000,000 for fiscal year 2010; and

(4) $118,000,000 for fiscal year 2011.

Mr. LOTT. Mr. President, I just want to take a few moments to talk about Amtrak and inter-city passenger rail.

In the last Congress, I worked with Senators STEVENS, INOUYE, and LAUTENBERG—and other members of the Commerce Committee—to develop S. 1516, the Passenger Rail Investment and Improvement Act.

Last year during the Senate's consideration of the reconciliation bill I offered an amendment to add the text of S. 1516. The amendment passed by a vote of 93 to 6. So I know there is widespread support for this legislation.

Today we are introducing the same bipartisan legislation in hopes of gaining the same level of support as we did in the last Congress.

The bill was developed with input from the Administration, the Department of Transportation's Inspector General, States, Amtrak Board members, and many others.

The bill makes a number of important reforms to Amtrak, and has three major themes: Amtrak Reform and Accountability; cost cutting; and, creating funding options for States.

By increasing executive branch oversight over Amtrak, this bill ensures that the taxpayers' money is used more effectively. Under its past President, David Gunn, Amtrak has made some improvements in its management. However, much remains to be done. Amtrak must be run more like a business. This bill requires Amtrak to develop better financial systems and to evaluate its operations objectively. It forces Amtrak to improve the efficiency of long distance train service. The bill reduces Amtrak's operating subsidy by 40 percent by 2011 by requiring Amtrak to use its funding more effectively,

The bill promotes a greater role for the private sector by allowing private companies to bid on operating Amtrak routes.

The bill also creates a new rail capital grant program that States can use to start new inter-city passenger rail service. This will be the first time that States will have a Federal program they can use for passenger rail, putting intercity passenger rail on a similar footing to highways, transit, and airports, all of which have Federal assistance programs for infrastructure. States won't have to rely only on Amtrak for intercity passenger rail service.

I look forward to working with my colleagues on both sides of the aisle to get this bipartisan legislation signed into law this year

---

By Ms. LANDRIEU (for herself, Mr. COCHRAN, Mr. LEVIN, Mr. VOINOVICH, Mr. DURBIN, and Mr. SCHUMER):

S. 295. A bill to establish a servitude and emancipation archival research clearinghouse in the National Archives; to the Committee on Homeland Security and Governmental Affairs.

Ms. LANDRIEU. Mr. President, I rise today to reintroduce the Servitude and Emancipation Archival Research Clearing House, SEARCH, Act of 2007, a bill that will establish a national database consisting of historic records of servitude and emancipation in the United States to assist African Americans in researching their genealogy. Additionally, Congressman ELIJAH CUMMINGS is reintroducing a companion to this bill on the House side because we both believe in its importance.

It is a very human instinct for people to want to understand who they are from the lenses of who are their ancestors and where are they from. This is the very reason I stand before you today to reintroduce this piece of very important legislation. Unfortunately, African Americans who attempt to trace their genealogy encounter huge hurdles in reclaiming the usual documentary history that allows most Americans to piece together their heritage. W.E.B. Dubois once said that, ''There is in this world no such force as the force of a person determined to rise, for the human soul cannot be permanently chained.'' The Servitude and Emancipation Archival Research ClearingHouse, SEARCH, Act of 2007 gives African Americans the tools they need to rise above the unique challenges and hardships they face in order to trace their genealogy. The SEARCH Act establishes a national database within the National Archives and Records Administration, NARA, housing various documents that would assist those in search of a history that, because of slavery, is almost impossible to find in the most ordinary registers and census records.

Traditionally, someone researching their genealogy would try looking up wills and land deeds; however, enslaved African Americans were prohibited from owning property. In fact, African Americans, must frequently rely on the records of slave owners—most of which are in private hands—in hope that they had kept records containing birth and death information. Even if records do exist, many African Americans in the past did not have formal last names, thus compounding the difficulty of tracing their lives. The omission of surnames also precludes use of the most popular and major source of genealogical research, the United States Census. Furthermore, letters, diaries, and other first-person records used by most genealogical researchers are scarcely available for slaves, owing to the fact that they could not legally learn to read or write.

Even after the Emancipation Proclamation was given in 1865, we would think that African Americans could begin using traditional genealogical records like voter registrations and school records. However, African Americans did not immediately begin to participate in many of the privileges of citizenship, including voting and attending school. Discrimination meant that African Americans were barred from sitting on juries or owning businesses. Segregation meant segregated neighborhoods, schools, churches, clubs, and fraternal organizations, and thus segregated societies maintained segregated records. For example, some telephone directories in South Carolina did not include African Americans in the regular alphabetical listing, but rather at the end of the book. An African American must maneuver these distinctive nuances in order to conduct proper genealogical research. In my own State of Louisiana, descendants of the 9th Cavalry Regiment and 25th Infantry Regiment, known as the Buffalo Soldiers, would have to know to look in the index of United States Colored Troops since there is no mention of them in the index of State Military Regiments.

Abraham Lincoln said, ''a man who cares nothing about his past can care little about his future.'' By providing $5 million for the National Historical Publications and Records Commission to establish and maintain a national database, the SEARCH Act has the potential to significantly reduce the time and painstaking efforts of those African Americans who truly care about their American past to contribute to the American future. This bill also seeks to authorize $5 million for States, colleges, and universities to preserve, catalogue, and index records locally.

In a democracy, records matter. The mission of NARA is to ensure that anyone can have access to the records that matter to them. The SEARCH Act of 2007 seeks to fulfill that mission by helping African Americans navigate genealogical research sources and negotiate the unique challenges that confront them in this process. No longer should any American have to wait to learn information, which in itself can offer such freedom.

I don't believe there is a more appropriate time than now to pass this piece of legislation, on the day before we honor the legacy of a man who spent his life as an advocate of freedom, Dr. Martin Luther King, Jr. Dr. King once said, ''Our lives begin to end the day we become silent about things that matter.'' Mr. President, this piece of legislation does matter and I ask my colleagues to join me in passing the SEARCH Act of 2007.

By Ms. MURKOWSKI (for herself and Mr. STEVENS):

S. 298. A bill to provide incentives for renewable energy production, to increase fuel economy standards for automobiles, and to provide tax incentives for renewable energy production; to the Committee on Finance.

Ms. MURKOWSKI. Mr. President, I rise today to introduce a significant bill to improve energy efficiency in this Nation and reduce greenhouse gas emissions.

The bill I am introducing will promote the development of additional forms of renewable energy and also pave the way for improved fuel consumption by vehicles. I rise to introduce the Renewable Energy, Fuel Reduction, and Economic Stabilization and Enhancement Act of 2007, or the REFRESH Act, for short.

I consider this a balanced measure, a companion to a bill introduced recently by Alaska's Senior Senator TED STEVENS who proposed to raise the fuel efficiency of automobiles to 40 miles per gallon within a decade, a bill I am proud to be a cosponsor of. This bill will promote alternative energy by providing grants and tax credits to promote development of geothermal power, all forms of ocean energy and small hydro electric development.

The bill also seeks to reduce American fossil fuel consumption by nearly 5 million barrels of oil a day by 2025 by not only supporting an increase in the Corporate Average Fuel Efficiency Standard, CAFE, for automobiles, as

proposed by Senator STEVENS, but by also requiring a study of whether to mandate that a CAFE standard to be imposed on commercial trucks. The bill also requires an improvement in the efficiency of replacement tires for all passenger cars, provides grants to States and local communities to encourage a reduction in traffic congestion by helping States to set up telecommuting and flexible-work programs to keep motorists off roadways during rush hours, and extends and removes a cap on tax credits to encourage the purchase of hybrid and advanced fuel efficient lean-burn vehicles. The bill also authorizes $100 million in additional research assistance for plug-in hybrid and battery storage technology development.

The bill also includes a truth in advertising provision requiring that the CAFE standards for vehicles be based on the actual fuel economy that the vehicles will achieve under real-world driving conditions, where acceleration, the use of air conditioning and stop and go driving is considered rather than on a three-decades old testing formula.

The bill will reduce carbon dioxide emissions from fossil fuel usage by about 530 million metric tons in the United States by 2025—a 7 percent cut over what emissions otherwise are predicted to be that year. Coming from Alaska where there is no question but that warming temperatures have been in place in recent years, it only makes sense that we take common sense steps now to improve fuel efficiency, to promote the development of a wider range of alternative energy technologies and to encourage Americans to buy more fuel efficient vehicles, as long as their ability to drive safe and affordable vehicles of their own choosing is protected.

This bill is a careful balance of steps we can take to reduce fuel usage and thus greenhouse gas emissions, but also of provisions that are economic for Americans to undertake, and will pay for themselves in reduced fuel costs, sometimes in very short order. It will be good insurance for the environment, but also good for the pocketbooks of Americans.

Americans understand that we are in a current warming trend. Just this week, our government reported that 2006 was the warmest year worldwide in over a century. There are dozens of examples of the effects on the environment that the warming climate of the past three decades has caused. While I believe the ultimate cause of the climate change we are seeing is not yet certain, it is our responsibility to take affordable steps now to reduce fuel consumption, increase the use of alternative, non-fossil-fuel technologies, and to reduce carbon dioxide and other greenhouse gas emissions.

This bill, paired with previous legislation by my colleague Senator TED STEVENS that specifically raises the CAFE standard by 2017, S. 183, will require automobile makers, if it is technologically feasible, to improve fuel efficiency. I am proud to be a supporter of that measure. The two bills will have a host of policy and economic advantages. They will make us less dependent on imported oil, improving our national security and reducing the money we spend overseas to buy imported crude oil. And they will produce more jobs in America through the development of new alternative-fuel industries.

The bill I introduce today, for example, will require all tire manufacturers to make and sell only low, rolling, resistance tires for replacement tire purposes within five years—the same tires found on new cars today. The tires, while they will add on average $20 to the cost of a set of two replacement tires, will improve fuel efficiency by 1.5 to 4.5 percent. Thus if the price of gasoline is only $2 a gallon, drivers will save from $87 to $260 a year in fuel costs per year, the change saving the typical driver money within the first year, according to estimates by the National Commission on Energy Policy that recommended the change in a 2005 report.

The bill also will require the National Highway Traffic Safety Administration (NHTSA) to study the savings that would result and the costs of imposing a CAFE standard on commercial trucks, a key requirement before Congress can actually impose such a standard. Commercial trucks consume between 1.5 and 2 million barrels of oil a day in fuel. According to estimates by the Department of Energy's 21st Century Truck Program and by Argonne National Laboratory, fuel economy for tractor-trailers should be able to improve by 30 to 60 percent by 2015 through use of a CAFE standard. While such improvements might increase the cost of a tractor-trailer by $7,000 at time of purchase, it would save some $11,000 in fuel costs over the life of the vehicle, achieving payback for the typical truck owner in less than three years. Imposing such a CAFE on trucks was proposed by the Energy Security Leadership Council in a report just last month.

The $50 million in grants to reduce traffic congestion could pay for themselves nearly immediately, since the National Commission on Energy Policy estimated that American motorists consume between 65,000 and 260,000 barrels of oil a day in wasted fuel because of urban traffic congestion, costing the Nation up to $13 million a day at current fuel prices.

And the tax credit provisions, making all forms of ocean energy: wave, current, tidal and thermal, and small hydro electric power qualified to receive the Federal Production Tax Credit that currently reduces the cost of wind, solar and biomass energy by 1.9 cents per kilowatt hour generated, would help to increase renewable energy production nationwide. Geothermal energy is already covered by the PTC, as are wind, solar and biomass projects.

Congress two years ago in the Energy Policy Act of 2005, which I helped formulate, provided both grant and the tax assistance to encourage the development of wind, solar and biomass energy. But when you consider that large portions of the country, including 70 percent of Alaska, may contain geothermal resources, that there are thousands of lakes and small rivers and creeks that can power small-scale hydro electric development without requiring dams or affecting fisheries or the environment in the least, and that thousands of miles of U.S. coastlines and river systems can generate electricity from emerging ocean energy systems, it only makes sense to expand the scope of Federal assistance to encourage wider development and use of these other renewable technologies.

The Electric Power Research Institute has estimated that wave energy off U.S. coasts alone could conservatively generate 252 million megawatt hours of electricity, 6.5 percent of all energy now produced in America. Alaska has nearly 80 coastal and river communities that could benefit greatly by development of ocean energy systems. To facilitate ocean and geothermal development, the bill authorizes $100 million in Federal research and development grant assistance to both types of development.

This bill is not a cure all for all of our energy woes. I recently co-sponsored legislation by Senators JIM BUNNING and BARACK OBAMA that will provide additional incentives to develop fuel from coal and that will encourage the sequestration of carbon from coal processed in fuel-to-liquid plants. I will support additional assistance to promote wind, solar and biomass alternative energy development. I have supported and will continue to support development of the next generation of nuclear power that can produce energy without any greenhouse gas emissions. And I will continue to support research and development of biofuels, such as ethanol, especially celluosic ethanol, and of development of hydrogen-fueled vehicles and fuel distribution systems for the new fuels.

I also will support production of more domestic energy from conventional sources, whether it be more oil and natural gas from the ground onshore and from under some of our seas offshore where it can be done in an environmentally friendly way, or more novel forms of fossil fuels, be they from oil shales, oil sands, coal or from gas hydrate deposits. In my view we need to do everything we can to find economic forms of the energy we will need during the remainder of the 21st Century.

This bill only represents one piece of a balanced plan to improve this Nation's energy outlook. But it is an important piece. This bill has the ability to restore and refresh our environment

by reducing greenhouse gas emissions. It will encourage development of more renewable energy. We can't afford not to find the funds to pay for its provisions.

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. 298

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 ''Renewable Energy, Fuel Reduction, and Economic Stabilization and EnHancement Act of 2007'' or the ''REFRESH Act''.

TITLE I—RENEWABLE ENERGY INCENTIVES

SEC. 101. GEOTHERMAL POWER.

(a) IN GENERAL.—The Secretary of Energy, acting through the Office of Energy Efficiency and Renewable Energy (referred to in this title as the ''Secretary''), shall make grants to eligible entities (as determined by the Secretary) to promote geothermal power development, including high- and low-temperature geothermal power development.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000.

SEC. 102. OCEAN ENERGY.

(a) IN GENERAL.—The Secretary shall make grants to eligible entities (as determined by the Secretary) to develop all forms of ocean energy (including wave, current, tidal, and thermal energy).

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000.

SEC. 103. PLUG-IN HYBRID ELECTRIC-COMBUSTION ENGINE VEHICLES.

(a) IN GENERAL.—The Secretary shall make grants to eligible entities (as determined by the Secretary) to assist in the development of new technology (including storage batteries or other forms of technology) to assist automobile manufactures in the production of plug-in hybrid electric-combustion engine vehicles.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $100,000,000.

TITLE II—FUEL EFFICIENCY STANDARDS

SEC. 201. TRUTH IN TESTING OF CAFE STANDARDS.

(a) TESTING AND CALCULATION PROCEDURES.—

(1) IN GENERAL.—Section 32904(c) of title 49, United States Code, is amended by striking ''However, except under section 32908 of this title, the Administrator shall use the same procedures for passenger automobiles the Administrator used for model year 1975 (weighted 55 percent urban cycle and 45 percent highway cycle),'' and insert ''In measuring fuel economy under this subsection, the Administrator shall use the procedures described in the final rule relating to fuel economy labeling published in the Federal Register on December 27, 2006 (71 Fed. Reg. 77,872; to be codified at 40 C.F.R. parts 86 and 600)''.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on the date that is 5 years after the date of the enactment of this Act and shall apply to passenger automobiles manufactured after such date.

(b) STUDY AND REPORT.—

(1) STUDY.—The Administrator of the National Highway Traffic Safety Administration shall conduct a study of the anticipated economic impacts and fuel saving benefits that would result from a requirement that all vehicles manufactured for sale in the United States with a gross vehicle weight of not less than 10,000 pounds meet specific average fuel economy standards.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Administrator shall submit a report to Congress that includes—

(A) the results of the study conducted under paragraph (1); and

(B) a recommendation on whether the vehicles described in paragraph (1) should be subject to average fuel economy standards.

SEC. 202. TIRE RESISTANCE STANDARDS.

Section 30123 of title 49, United States Code, is amended by adding at the end the following:

''(d) LOW ROLLING RESISTANCE TIRES.—Not later than 5 years after the date of the enactment of this subsection, all passenger automobile tires sold in the United States shall meet the low rolling resistance standards prescribed by the Administrator of the National Highway Traffic Safety Administration.''.

SEC. 203. TRAFFIC REDUCTION GRANTS.

(a) IN GENERAL.—The Secretary of Transportation may award grants to States to develop telecommuting and flexible work scheduling incentives that will reduce traffic congestion in urban areas.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $50,000,000 for fiscal year 2008 to carry out the grant program established under this section. Any sums appropriated pursuant to this subsection shall remain available until expended.

TITLE III—TAX CREDITS

SEC. 301. EXPANSION OF CREDIT FOR PRODUCTION OF ENERGY FROM CERTAIN RENEWABLE RESOURCES.

(a) EXPANSION OF RESOURCES TO WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—

(1) IN GENERAL.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting '', and'', and by adding at the end the following new subparagraph:

''(I) wave, current, tidal, and ocean thermal energy.''

(2) DEFINITION OF RESOURCES.—Section 45(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(10) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.—The term 'wave, current, tidal, and ocean thermal energy' means electricity produced from any of the following:

''(A) Free flowing ocean water derived from tidal currents, ocean currents, waves, or estuary currents.

''(B) Ocean thermal energy.

''(C) Free flowing water in rivers, lakes, man made channels, or streams.''

(3) FACILITIES.—Section 45(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(11) WAVE, CURRENT, TIDAL, AND OCEAN THERMAL FACILITY.—In the case of a facility using resources described in clause (i), (ii), or (iii) of subsection (c)(10)(A) to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after the date of the enactment of this paragraph and before January 1, 2009, but such term shall not include a facility which includes impoundment structures or a small irrigation power facility.''

(b) EXPANSION OF SMALL IRRIGATION POWER.—Paragraph (5) of section 45(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(5) SMALL IRRIGATION POWER.—The term 'small irrigation power' means power—

''(A) generated without any dam or impoundment of water through—

''(i) through an irrigation system canal or ditch, or

''(ii) utilizing lake taps, perched alpine lakes, or run-of-river with diversion, and

''(B) the nameplate capacity rating of which is less than 15 megawatts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to electricity produced in taxable years ending after the date of the enactment of this Act.

SEC. 302. EXTENSION AND MODIFICATION OF NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT FOR PLUG-IN HYBRIDS.

(a) EXTENSION.—

(1) NEW QUALIFIED HYBRID PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—Paragraph (2) of section 30B(j) of the Internal Revenue Code of 1986 is amended by inserting ''(December 31, 2012, in the case of a new qualified hybrid motor vehicle which is recharged by means of an off board device)'' after ''December 31, 2010''.

(2) OTHER QUALIFIED HYBRID MOTOR VEHICLES.—Paragraph (3) of section 30B(j) of the Internal Revenue Code of 1986 is amended by inserting ''(December 31, 2012, in the case of a new qualified hybrid motor vehicle which is recharged by means of an off board device)'' after ''December 31, 2009''.

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

(1) IN GENERAL.—Section 30B of the Internal Revenue Code of 1986 is amended—

(A) by striking subsection (f); and

(B) by redesignating subsections (g) through (j), as amended by subsection (a), as subsections (f) through (i), respectively.

(2) CONFORMING AMENDMENTS.—

(A) Paragraphs (4) and (6) of section 30B(g) of such Code, as redesignated by paragraph (1)(B), are each amended by striking ''(determined without regard to subsection (g))'' and inserting ''(determined without regard to subsection (f))''.

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

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

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

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

(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.

By Mr. COLEMAN:

S. 299. A bill to amend the Internal Revenue Code of 1986 to extend increased expensing for small businesses; to the Committee on Finance.

Mr. COLEMAN. Mr. President, I ask unanimous consent that the text of my legislation to extend increased expensing for small businesses 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. 299

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

SECTION 1. EXTENSION OF INCREASED EXPENSING FOR SMALL BUSINESSES.

(a) EXTENSION.—Section 179 of the Internal Revenue Code of 1986 (relating to election to expense certain depreciable business assets) is amended by striking ''2010'' each place it appears and inserting ''2011''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2009.

By Mr. KYL (for himself, Mr. ENSIGN, Mr. REID, and Mrs. FEINSTEIN):

S. 300. A bill to authorize appropriations for the Bureau of Reclamation to carry out the Lower Colorado River Multi-Species Conservation Program in the States of Arizona, California, and Nevada, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. KYL. Mr. President, today I am pleased to join with Senators ENSIGN, FEINSTEIN and REID to introduce the Lower Colorado River Multi-Species Conservation Program Act. This bipartisan legislation is designed to protect and maintain wildlife habitat on the lower Colorado River and to provide assurances to the affected water and power agencies of Arizona, California, and Nevada that their river operations may continue upon compliance with the underlying program. This bill is nearly identical to legislation I introduced late last year with Senators ENSIGN, FEINSTEIN, and REID.

The Lower Colorado River Multi-Species Conservation Program, otherwise known as the MSCP, is a comprehensive, cooperative effort among 50 Federal and non-Federal entities in Arizona, California, and Nevada whose purposes are to 1. protect the lower Colorado River environment while ensuring the certainty of existing river water and power operations; 2. protect threatened endangered wildlife under the Endangered Species Act; and 3. prevent the listing of additional species on the lower Colorado River.

To accomplish these goals, the MSCP will create more than 8,100 acres of riparian, marsh, and backwater habitat and implement additional measures to protect 26 endangered, threatened and sensitive species. The program covers approximately 400 miles, including the full-pool elevations of Lake Mead to the United States-Mexico Southerly International Boundary.

The program costs will be spread over 50 years, and split 50–50 between the Federal Government and the non-Federal entities covered by MSCP. Arizona and Nevada will each bear 25 percent of the non-Federal costs and California will bear 50 percent of the non-federal costs.

Although implementation of the program began in April 2005 under the U.S. Department of the Interior's existing authority, legislation is needed to protect the substantial financial commitments that the non-Federal parties are making to species protection . To that end, the bill 1. expressly authorizes appropriations to cover the Federal share of the program costs; 2. directs the Secretary of the Interior to manage and implement the MSCP in accordance with the underlying program documents; and 3. provides a waiver of sovereign immunity to allow the non-Federal parties to enforce, if necessary, the underlying program documents. The waiver, however, does not allow an action to be brought against the United States for money damages.

Late in 2006, the House Committee on Resources, Subcommittee on Water and Power held a comprehensive field hearing in Arizona on the MSCP Act. The hearing highlighted the significance of the program to Colorado River users in Arizona, California, and Nevada and demonstrated the strong support for the legislation. Unfortunately, Congress adjourned before it could take action on the bill. We hope for its swift passage in the 110th Congress.

By Mrs. CLINTON (for herself, Mr. DURBIN, Ms. MIKULSKI, and Mr. LIEBERMAN):

S. 301. A bill to provide higher education assistance for nontraditional students, and for other purposes; to the Committee on Finance.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation to meet the needs of non-traditional college students. If enacted, The Non-Traditional Student Success Act would expand services that promote retention and graduation for non-traditional students.

The number of non-traditional students has been increasing dramatically on college campuses all across America. These students face unique challenges to completing their degree that include affording their education, balancing work, school, and family responsibilities, overcoming inadequate academic preparation, and navigating the college environment. Unfortunately, many of our current higher education policies make it harder, not easier for these students to complete their degree.

In fact, among students seeking a bachelor's degree, nearly half of non-traditional students leave college within the first 3 years before completing their studies, compared with 12 percent of traditional students. Similarly, among those seeking an associate's degree, 62 percent of non-traditional students left without any degree, compared with 19 percent of traditional students. This trend has a disproportionate impact on minority communities especially when considering over 80 percent of both black and Hispanic undergraduate students are non-traditional in some way. This trend must end if we are to ensure that all students are awarded an equal opportunity to compete for jobs in today's marketplace.

We must take a step forward with a positive agenda in the 110th Congress to ensure that all students are able to successfully acquire a college education as doing so is essential to our economic prosperity. That is why I have introduced the Non-Traditional Student Success Act.

The Non-Traditional Student Success Act will tear down the financial barriers many non-traditional students face when financing their college education. By allowing students access to their Federal Pell grants year-round while increasing the maximum Pell grant award to $12,600 over the next 5 years, this bill will not only help students pay for college but also allow them the opportunity to complete programs more quickly. This legislation also creates a pilot program to provide more financial aid—grants and loans—to students enrolled in a degree program less than half-time.

This legislation will also expand services that promote retention and graduation for non-traditional students. The Non-Traditional Student Success Act will increase funding for Student Support Service programs, GEAR–UP, mentoring, tutoring and other services to help non-traditional students succeed. While spending for remediation among U.S. colleges and universities approaches the $1 billion mark, this bill create incentives for institutions to customize their courses to help students more successfully complete remedial work and graduate into academic programs.

I am happy to report that two of the provisions from the previously introduced Nontraditional Student Success Act were enacted into law through the Deficit Reduction Act of 2005. These provisions, expanding the use of Pell grants for less than half-time students and a provision to reduce the work penalty for independent students, will provide more options to non-traditional students in financing their college education.

The fact is, three out of four undergraduate students—75 percent—are non-traditional in some way. My bill will increase access to a higher education and improve the graduate rates for the millions of non-traditional students.

The start of a new Congress brings an opportunity to provide critical changes in higher education and offer assistance to non-traditional students. This proposal is endorsed by the Commission on Independent Colleges and Universities, The Center for Law and Social Policy, Career Colleges Association, and the American Association of Community Colleges.

I am hopeful that my Senate colleagues from both sides of the aisle will join in support of this bill and move this legislation to the floor without delay.

By Mr. VOINOVICH:

S. 304. A bill to establish a commission to develop legislation designed to reform tax policy and entitlement benefit programs and to ensure a sound fiscal future for the United States, and

for other purposes; to the Committee on the Budget.

Mr. VOINOVICH. Mr. President, a fiscal crisis looms on the horizon. As the Nation's demographic tide begins to shift, a fiscal tidal wave threatens to overwhelm our economy if we do not act now. Our irresponsible fiscal policies have created a grave situation that more and more people—Republicans and Democrats—are coming to recognize. We can no longer sit back and hope things will work themselves out. A potential national disaster threatens to devastate our way of life, and we have a moral responsibility to do something about it.

In the simplest of terms, the Federal Government continues to spend more than it brings in. But, running the credit card for today's needs and leaving the bill for future generations should not be the policy of this Congress.

An historical perspective helps to highlight the gravity of our current situation.

The Fiscal Year 2006 budget deficit was $248 billion—the seventh largest deficit in our Nation's history. However, if we don't include the money we're borrowing from the Social Security Trust Fund, the Fiscal Year 2006 budget deficit was $434 billion.

I arrived in Washington in 1999, and in the 8 short years since, our national debt has increased by over 50 percent from $5.6 trillion to a staggering $8.6 trillion. It represents 67 percent of the GDP—the worst number in 50 years. This means that each man, woman, and child in the United States owes $29,000 of the Federal Government's debt.

And yet, these numbers pale in comparison with the budget problems looming in our future as the Baby Boom generation begins to retire less than a year from now, on January 1, 2008. Our long-term fiscal imbalance is $50 trillion. That's hard to even grasp, but it translates into $440,000 of future government debt for every American household—up from a mere $175,000 per household just 6 years ago.

If we do not sharply curb entitlement spending, the continual growth of these programs—especially in healthcare—will crowd out all our other spending obligations and collide with historic, long-term level of taxes. To put it in perspective, balancing the budget without reforming entitlement programs will require raising taxes to European levels. And, that would cripple our ingenuity and economy.

So, what must be done?

Congress must view our tax code, entitlement programs, and budget process as the three components—or pillars—of the nation's fiscal foundation, and not as separate entities. Each is intricately linked to the other two pillars. We must reform all three areas to raise the necessary revenue to ensure effective and responsible behavior by Congress and federal agencies, to keep our obligations to future generations, and to keep our nation strong.

First, we need fundamental tax reform to help make the tax code simple, fair, transparent, and economically efficient. According to the President's tax panel and the Mack-Breaux report, only 13 percent of taxpayers file without the help of either a tax preparer or computer software program—a function of the complexity of the system. Since enacting the Tax Reform Act of 1986—legislation intended to simplify the filing process for taxpayers—15,000 additions have been made to the Internal Revenue Code.

We cannot consider tax reform, however, without reforming our growing entitlement programs. Our already massive debt will spike yet higher as entitlements such as Social Security, Medicare, and Medicaid witness a surge of beneficiaries in the form of retiring Baby Boomers. This mounting debt will soon become a burden our children cannot bear, dragging down our standard of living and our standing in the world.

Finally, we must restore the third pillar of our fiscal foundation—the budget process. Together we can streamline the system to help lock in long term tax and entitlement reforms. In the past, every major deficit reduction package has included a series of budget process reforms and enforcement mechanisms designed to prevent Congress from undoing tough choices in future years. By transforming the budget process, we can fight back against the all-too-common practice of gaming the system.

While some of our colleagues claim we need tax reform, others claim we need entitlement reform. The bill I am introducing today, however, is the only bill that does it all—because you can't reform one without the other, or it's doomed to fail.

The Securing America's Future Economy Commission Act establishes a national, bipartisan commission to examine these broken systems and to present solutions to place the nation on a fiscally sustainable course and ensure the solvency of entitlement programs for future generations.

The Commission will be comprised of 16 voting members—an equal number of members from each party, with some seats reserved for sitting members of Congress. The Treasury Secretary and the OMB Director will be members, and the other 14 will be appointed by congressional leaders.

The Commission will hold town hall meetings throughout the country to determine the scope of the problem and consider possible policy options. The Commission will present a report—and, if a three-fourths majority of the Commission agrees, they will present actual legislation to Congress.

The administration and Congress will each have 90 days to review the proposal and develop an alternative package of reforms if they believe it's necessary. The most important point is that this legislation uses a fast-track procedure to guarantee a vote in Congress on the Commission's legislation and the congressional and presidential alternatives.

Outside groups across the political spectrum have shown support for our efforts, as have business executives—who view our efforts as an economic necessity—and religious leaders—who view our efforts as a moral necessity. And, when you look at the numbers, it is clear why. We have a moral obligation to improve the fiscal health of our Nation. Otherwise, our children and grandchildren are going to celebrate America's past and the good old days, rather than the future and the good new days.

Restoring our Nation's fiscal health will require hard, bipartisan work and tough decisions. That work, however, must begin immediately. We cannot afford to put it off any longer.

By Mr. GRASSLEY (for himself, Mr. DORGAN, Mr. ENZI, and Mr. HARKIN):

S. 305. A bill to amend the Packers and Stockyards Act, 1921, to make it unlawful for a packer to own, feed, or control livestock intended for slaughter; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. GRASSLEY. Mr. President, Congress will be working on a rewrite of the current farm bill during the 110th Congress and I will be looking for ways to improve the economic condition of America's farmers. However, one of the many shortcomings of the 2002 farm bill is that it failed to protect family farmers and independent livestock producers from vertical integration in the livestock industry. This is one reason why I voted against the final conference report.

Over the years, family farmers from across Iowa have contacted me to express their fears about the threat they feel from concentration in the livestock industry. They fear that if the trend toward increased concentration continues, they may be unable to compete effectively and will not be able to get a fair price for their livestock in the marketplace.

The bill I am introducing would prevent meat packers from assuming complete control of the meat supply by preventing packers from owning livestock.

This bill would make it unlawful for a packer to own or feed livestock intended for slaughter. Single pack entities and packs too small to participate in the Mandatory Price Reporting program would be excluded from the limitation. In addition, farmer cooperatives in which the members own, feed, or control the livestock themselves would be exempt under this new bill.

This is a similar version I successfully offered on the floor during the debate on the 2002 farm bill.

It's important for our colleagues to remember that family farmers ultimately derive their income from the agricultural marketplace, not the farm bill. Family farmers have unfortunately been in a position of weakness

in selling their product to large processors and in buying their inputs from large suppliers.

Today, the position of the family farmer has become weaker as consolidation in agribusiness has reached all time highs. Farmers have fewer buyers and suppliers than ever before. The result is an increasing loss of family farms and the smallest farm share of the consumer dollar in history.

One hundred years ago, this Nation reacted appropriately to citizen concerns about large, powerful companies by establishing rules constraining such businesses when they achieved a level of market power that harmed, or risked harming, the public interest, trade and commerce. The United States Congress enacted the first competition laws in the world to make commerce more free and fair. These competition laws include the Sherman Act, Clayton Act, Federal Trade Commission Act and Packers & Stockyards Act.

Since that time, many countries in the world have followed this U.S. example to constrain undue market power in their domestic economies.

Unfortunately, competition policy has been severely weakened in this country, especially in agriculture, due to Federal case law, underfunded enforcement, and unfounded reliance on efficiency claims. The result has been a significant degradation of the domestic agricultural market infrastructure. The current situation reflects a tremendous mis-allocation of resources across the food chain. Congress must strengthen competition policy within the farm sector to reclaim a properly operating marketplace.

While this legislation does not accomplish all that we need to do in this area, it's an important first step toward remedying the biggest problem facing farmers today, the problem of concentration.

Thank you Mr. President; I ask unanimous consent the text of the bill be printed in the RECORD.

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

S. 305

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

SECTION 1. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) IN GENERAL.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

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

''(f) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to—

''(1) an arrangement entered into within 7 days (excluding any Saturday or Sunday) before slaughter of the livestock by a packer, a person acting through the packer, or a person that directly or indirectly controls, or is controlled by or under common control with, the packer;

''(2) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

''(A) own, feed, or control livestock; and

''(B) provide the livestock to the cooperative for slaughter;

''(3) a packer that is not required to report to the Secretary on each reporting day (as defined in section 212 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1635a)) information on the price and quantity of livestock purchased by the packer; or

''(4) a packer that owns 1 livestock processing plant; or''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) TRANSITION RULES.—In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

By Mr. DODD:

S. 308. A bill to prohibit an escalation in United States military forces in Iraq without prior authorization by Congress; to the Committee on Foreign Relations.

Mr. DODD. Mr. President, last week President Bush announced a plan to escalate U.S. military involvement in Iraq, the continuation of his failed policy in Iraq. I am strongly opposed to this course.

That is why I have introduced legislation today that will prohibit the number of troops in Iraq from exceeding the current force levels without an explicit authorization from Congress. As of January 16, 2007, United States Central Command reports 130,500 American service-members operating within the borders of Iraq.

It is my hope that Congress can begin debate on my proposal and others that may be forthcoming before the week is out. It is imperative that we in Congress act swiftly on this crucial issue.

Let's be very clear, my bill does not prohibit additional funding for American troops who are currently in harms way. I will continue to do everything that I can to support our troops so long as they are stationed in Iraq. My bill would prohibit President Bush from increasing the number of U.S. servicemembers in Iraq without prior authorization from Congress.

The President's decision to escalate U.S. military involvement is a true disservice to American troops who have shown nothing but professionalism and courage, and who should not be asked to risk their lives to become cannon fodder in a civil war rife with ethnic cleansing.

Moreover, I do not believe that the authorization provided by Congress in 2002 gives the President unlimited authority to send additional troops to Iraq for a mission which is completely different from the one the President himself articulated in March 2002, shortly after committing U.S. forces to Iraq. On March 22, 2002, the President of the United States said that our goal in invading Iraq was ''to disarm Iraq of weapons of mass destruction, to end Saddam Hussein's support for terrorism, and to free the Iraqi people.''

We all now know that there were no weapons of mass destruction in Iraq to be disarmed. So we can no longer justify an additional troop presence on the grounds of WMDs. Saddam Hussein is no longer in a position to support terrorism, or anything else for that matter. As for freeing the Iraqi people—Iraq's dictator is dead and the Iraqi people have duly elected their own leaders to govern them.

Nothing in the 2002 resolution, or in the President's articulation of his goals for Iraq prior to that resolution suggested that the United States would, could, or should be engaged in trying to referee a civil war.

So Congress is confronted with two choices—do nothing; or respond decisively in opposition to staying the course—a course that is sure to produce an even more violent, less stable political and security climate in Iraq.

To me, that choice is clear. Leadership demands that those of us who think the President is on the wrong track, not simply stand up and say so, but act to stop this escalation from going forward.

I know that enacting legislation to stop the President from the course he has chosen will not be easy. But that doesn't mean that the Congress shouldn't debate it and vote on it—that is exactly what the American people sent us to Congress to do.

We have arrived at a moment of choice. The President and this Administration have chosen escalation—more bloodshed, more chaos, and more violence. If the President wants to escalate our military commitment to Iraq, and if the President wants to send more troops into the center of a civil war, then the President must make that case to the United States Congress and let the full Congress vote on the merits of such a plan.

The President has stated that he believes that as Commander-in-Chief he has the authority to order troops to Iraq in the face of Congressional opposition. We are a Nation of laws. The President is not above those laws. If Congress passes legislation to limit the deployment of troops to Iraq, the President will no longer have the luxury of ignoring the views of the Congress, a co-equal branch of government. And the time for a blank check is over.

By Mr. SANDERS (for himself, Mrs. BOXER, Mr. KENNEDY, Mr. MENENDEZ, Mr. LAUTENBERG, Mr. LEAHY, Mr. REED, Mr. AKAKA, Mr. INOUYE, Mr. FEINGOLD, and Mr. WHITEHOUSE):

S. 309. A bill to amend the Clean Air Act to reduce emissions of carbon dioxide, and for other purposes; to the Committee on Environment and Public Works.

Mr. SANDERS. Mr. President, today I am introducing the Global Warming Pollution Reduction Act of 2007. There are many critically important issues that we face, including education, health care, the growing and inexcusable economic inequality in this country, and the situation in Iraq. Among these issues has to be the threat faced by the earth itself due to global warming and that is why this legislation is the first bill that I am introducing as a U.S. Senator.

The Global Warming Pollution Reduction Act, the full text of which I ask be included in the RECORD following my remarks, was initially introduced last year by the Senator whose seat I currently hold, Senator Jim Jeffords. Jim's leadership in offering a forwardthinking global warming bill is known by all in this chamber and I am honored to continue his efforts by introducing this tremendously-important legislation today.

This bill, is being cosponsored by many of my esteemed colleagues and I would like to recognize them this morning: Senator BOXER, chairman of the Environment and Public Works Committee; the Senior Senator from the great state of Vermont, Mr. LEAHY; both Senators from New Jersey, Mr. LAUTENBERG and Mr. MENENDEZ; Senators REED and WHITEHOUSE, both from Rhode Island; the Senate delegation from the State of Hawaii, Senators INOUYE and AKAKA; and Senator FEINGOLD of Wisconsin and Senator KENNEDY of Massachusetts. I appreciate the support of these colleagues in focusing attention on the most important environmental issue of our time and urge my other colleagues to join in this effort.

I am also proud that the Global Warming Pollution Reduction Act has the support of numerous national groups, including the Earth Day Network, Earthjustice, Environmental Defense, Environmental & Energy Study Institute, Friends of the Earth, Greenpeace, League of Conservation Voters, National Audubon Society, National Environmental Trust, National Wildlife Federation, Natural Resources Defense Council, Physicians for Social Responsibility, Public Citizen, Sierra Club, Union of Concerned Scientists, and US PIRG.

The Global Warming Pollution Reduction Act is based on the scientific evidence and consensus that global warming poses a significant threat to the United States and the world. In fact, with our national security, our economy, our public health and welfare, and our global environment at stake, we must do nothing short of taking bold action. To that end, I am proud that last week the Vermont state legislature began 3 weeks of hearings on global warming. Like Americans across the country, they want action to fight global warming and they wish their Federal Government would step up and provide leadership commensurate with the magnitude of the threat. Well, Mr President this bill answers those pleas for leadership.

Grassroots support for action on global warming is clear. Over 300 mayors have committed their cities to meeting the standards described in the Kyoto Protocol. In fact, with over 54 million citizens represented, the U.S. Mayors Climate Protection Agreement provides clear evidence that everyday citizens—unlike some large corporations who have continually misrepresented the science of global warming—want to see movement on this issue. Additionally, a group of northeast States, including Maine, Connecticut, Delaware, New Hampshire, New Jersey, New York, and Vermont, have already implemented a regional effort to reduce greenhouse gas emissions and other northeastern States, such as Maryland and Massachusetts, are likely to join this group soon. And, we all know that the State of California has recognized the need to act on global warming and is moving forward with a tremendous program.

Despite the increasing calls for action, for years, the Bush administration has turned a deaf ear as the scientific community warned us of the problem of global warming and the disastrous impact it will have on our planet. Sadly, many of these predictions are now becoming a reality.

Global concentrations of greenhouse gases are incredibly high. In fact, the atmospheric concentration of greenhouse gases has risen to 378 parts per million—a level unseen during anytime over the past 400,000 years. Additionally, on a global scale, 8 of the 10 years between 1996 and the end of 2005 are among the warmest 10 years on record and experts at the National Oceanic and Atmospheric Administration have just logged 2006 as the hottest year on record for the U.S. Also, the National Center for Atmospheric Research suggests that the majority of the ice caps of the Arctic Ocean will melt by the summer of 2040—decades earlier than previously expected. And, the situation has become so dramatic that the Department of the Interior recently suggested listing polar bears on the endangered species list because their habitat is quite literally disappearing. We are also told to expect changes in agriculture and water systems, new threats to our health, and more extreme weather patterns including more intense hurricanes. All of this is due to global warming caused by the carbon dioxide and other greenhouse gases that are released into our atmosphere when we burn fossil fuels.

The good news is that we know how to stop continued global warming—we simply need the political will to make it happen. The time is now for bold action that will move our country away from fossil fuels such as coal, gas, and oil towards efficient, sustainable energy sources like wind, solar, bio-mass and hydrogen. The bill I introduce today recognizes the urgency of our circumstances and sets targets for reduction of U.S. emissions to help stabilize global atmospheric concentrations of greenhouse gases below 450 parts per million, a critical level as recognized by leading climate scientists. More specifically, this legislation calls for an 80 percent decrease—compared to 1990 levels—in global warming pollutants by 2050 by enacting a combination of mandatory reduction targets and incentives that will help develop clean alternative energies.

The concept is simple. By putting our minds to it, we can usher in a new era of nonpolluting, renewable energy sources. And, what makes this proposal even more exciting is its potential to reshape our economy and make the United States a leader in clean and efficient energy technologies—creating millions of good paying jobs in the process.

In fact, it is a lack of bold vision that will financially cost us. In October of 2006, Sir Nicholas Stern, a former chief economist of the World Bank, turned the old economic arguments against taking action on climate change on their head. In a report to the British government, he writes that bold action to combat the threat of global warming will in fact save industrial nations money and that inaction could cost between 5 to 20 percent of global gross domestic product. Speaking to the issue in no uncertain terms, the report states, ''If no action is taken we will be faced with the kind of downturn that has not been seen since the great depression and the two world wars.''

To be quite frank, the time for talk is over. It is time for action and introduction of this bill signals my commitment to pushing for such action.

While I ask unanimous consent that Senator Jeffords' full statement from last year on this important bill be included following my remarks, I want to read two excerpts from those remarks:

Global warming is real and it is already happening. Its effects are being felt across the globe and the longer we delay, the more severe these effects will be.

He went on to say,

In my final year in the Senate, I have often asked myself, ''What lasting actions can I take to make the world a better place?'' I hope that by proposing real action on climate change, and passing the torch to a new generation of those committed to protecting the environment, that I can help make a difference for us all.

I couldn't be more honored to carry on Senator Jeffords' vision on behalf of Vermonters and all Americans.

In closing, a country that represents only 6 percent of the world's population but produces 25 percent of its

greenhouse gas emissions, the United States has a moral obligation to lead the way toward reducing these emissions. For the sake of our children and grandchildren, we must meet that obligation. This legislation will put us on the right path to do so.

I ask unanimous consent that the material be printed in the RECORD.

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

STATEMENT OF SENATOR JEFFORDS, JULY 20, 2006

Mr. President, I rise to introduce the Global Warming Pollution Reduction Act of 2006.

One of the most important issues facing mankind is the problem of global warming. Global warming is real and it is already happening. Its effects are being felt across the globe and the longer we delay, the more severe these effects will be. The broad consensus within the scientific community is that global warming has begun, is largely the result of human activity, and is accelerating. Atmospheric greenhouse gas concentrations have risen to 378 parts per million, nearly one third above pre-industrial levels and higher than at any time during the past 400,000 years. Projections indicate that stabilizing concentrations at 450 parts per million would still mean a temperature increase of two to four degrees Fahrenheit. Such warming will result in more extreme weather, increased flooding and drought, disruption of agricultural and water systems, threats to human health and loss of sensitive species and ecosystems.

In order to prevent and minimize these effects, we must take global actions to address this issue as soon as possible. We owe that to ourselves and to future generations.

The overwhelming majority of Americans support taking some form of action on climate change. I am today introducing the Global Warming Pollution Reduction Act, which I believe responds to that call. I believe this is the most far reaching and forward thinking climate change bill ever introduced. It sets a goal of an 80% reduction in global warming pollutants by 2050. It provides a roadmap for actions that we will need to take over the next few decades to combat global warming. I believe that if this bill were passed, it would put us on the path to potentially solving the global warming problem. If it were passed, we would reshape our economy to become more energy independent, cleaner and more economically competitive. If it were passed, we would have a chance of avoiding some of the worst and most dangerous effects of global warming. If it were passed, we would be in a position to negotiate with other countries as part of the global solution.

Some will say that this bill imposes requirements that ask too much of industry. Some will say that this bill contains requirements that we cannot easily meet. I say first of all that the costs of inaction vastly outweigh the costs of action, and that we have a responsibility to future generations not to leave the earth far worse off than when we found it—with a fundamentally altered climate system. Temperature changes, sea level rise, hurricanes, floods and droughts can affect food production, national security, the spread of disease and the survival of endangered species. These are not things to trifle with on the basis of industry cost estimates, which have frequently been overstated.

But perhaps more importantly, we can act to reduce global warming. We can reduce emissions to 1990 levels between now and 2020 through a reduction of just 2 percent per year. Energy efficiency alone could play a major part in reaching reductions and new technologies can help as well. Moreover, additional deployment of existing renewable energy sources, including bio-fuels, can also help substantially. If we were to take the actions suggested in this bill, we would find that we would enhance our energy independence, and we would become a world leader in clean energy technologies. American innovation can position us as the world leader in clean technologies.

In my final year in the Senate, I have often asked myself ''What lasting actions can I take to make the world a better place?'' I hope that by proposing real action on climate change, and passing the torch to a new generation of those committed to protecting the environment, that I can help make a difference for us all. Global warming is upon us now. The question is, can we take action now, before it is too late?

We know what we need to do, we know how much we must reduce, and we have the technology to do so. The question for this body is, do we have the political will? Can we overcome our fears and insecurity and act decisively to combat global warming? That is the opportunity and challenge of the coming years, which my bill on global warming seeks to address. I urge my colleagues to join me in the quest for a better, safer world that is free of the enormous threat posed by dangerous global warming. I urge my colleagues to support this important piece of legislation.

S. 309

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 ''Global Warming Pollution Reduction Act''.

SEC. 2. GLOBAL WARMING POLLUTION EMISSION REDUCTIONS.

The Clean Air Act (42 U.S.C. 7401 et seq.) is amended by adding at the end the following:

''TITLE VII—COMPREHENSIVE GLOBAL WARMING POLLUTION REDUCTIONS

''SEC. 701. FINDINGS.

''Congress finds that—

''(1) global warming poses a significant threat to the national security and economy of the United States, public health and welfare, and the global environment;

''(2) due largely to an increased use of energy from fossil fuels, human activities are primarily responsible for the release of carbon dioxide and other heat-trapping global warming pollutants that are accumulating in the atmosphere and causing surface air and subsurface ocean temperatures to rise;

''(3) as of the date of enactment of this title, atmospheric concentrations of carbon dioxide are 35 percent higher than those concentrations were 150 years ago, at 378 parts per million compared to 280 parts per million;

''(4) the United States emits more global warming pollutants than any other country, and United States carbon dioxide emissions have increased by an average of 1.3 percent annually since 1990;

''(5)(A) during the past 100 years, global temperatures have risen by 1.44 degrees Fahrenheit; and

''(B) from 1970 to the present, those temperatures have risen by almost 1 degree Fahrenheit;

''(6) 8 years during the 10-year period beginning January 1, 1996, and ending December 31, 2005, were among the 10 warmest years on record;

''(7) average temperatures in the Arctic have increased by 4 to 7 degrees Fahrenheit during the past 50 years;

''(8) global warming has caused—

''(A) ocean temperatures to increase, resulting in rising sea levels, extensive bleaching of coral reefs worldwide, and an increase in the intensity of tropical storms;

''(B) the retreat of Arctic sea ice by an average of 9 percent per decade since 1978;

''(C) the widespread thawing of permafrost in polar, subpolar, and mountainous regions;

''(D) the redistribution and loss of species; and

''(E) the rapid shrinking of glaciers;

''(9) the United States must adopt a comprehensive and effective national program of mandatory limits and incentives to reduce global warming pollution emissions into the atmosphere;

''(10) at the current rate of emission, global warming pollution concentrations in the atmosphere could reach more than 600 parts per million in carbon dioxide equivalent, and global average mean temperature could rise an additional 2.7 to 11 degrees Fahrenheit, by the end of the century;

''(11) although an understanding of all details of the Earth system is not yet complete, present knowledge indicates that potential future temperature increases could result in—

''(A) the further or complete melting of the Antarctic and Greenland ice sheets;

''(B) the disruption of the North-Atlantic Thermohaline Circulation (commonly known as the 'Gulf Stream');

''(C) the extinction of species; and

''(D) large-scale disruptions of the natural systems that support life;

''(12) there exists an array of technological options for use in reducing global warming pollution emissions, and significant reductions can be attained using a portfolio of options that will not adversely impact the economy;

''(13) the ingenuity of the people of the United States will allow the Nation to become a leader in solving global warming; and

''(14) it should be a goal of the United States to achieve a reduction in global warming pollution emissions in the United States—

''(A) to ensure that the average global temperature does not increase by more than 3.6 degrees Fahrenheit (2 degrees Celsius); and

''(B) to facilitate the achievement of an average global atmospheric concentration of

global warming pollutants that does not exceed 450 parts per million in carbon dioxide equivalent.

"SEC. 702. PURPOSES.

''The purposes of this title are—

''(1) to achieve a reduction in global warming pollution emissions compatible with ensuring that—

''(A) the average global temperature does not increase by more than 3.6 degrees Fahrenheit (2 degrees Celsius) above the preindustrial average; and

''(B) total average global atmospheric concentrations of global warming pollutants do not exceed 450 parts per million in carbon dioxide equivalent;

''(2) to reduce by calendar year 2050 the aggregate net level of global warming pollution emissions of the United States to a level that is 80 percent below the aggregate net level of global warming pollution emissions for calendar year 1990;

''(3) to allow for an acceleration of reductions in global warming pollution emissions to prevent—

''(A) average global temperature from increasing by more than 3.6 degrees Fahrenheit (2 degrees Celsius) above the preindustrial average; or

''(B) global atmospheric concentrations of global warming pollutants from exceeding 450 parts per million;

''(4) to establish a motor vehicle global warming pollution emission requirement;

''(5) to require electric generation units to meet a global warming pollution emission standard;

''(6) to establish rules for the safe geological sequestration of carbon dioxide;

''(7) to encourage energy efficiency and the use of renewable energy by establishing a renewable portfolio standard and an energy efficiency portfolio standard;

''(8) to provide for research relating to, and development of, the technologies to control global warming pollution emissions;

''(9) to position the United States as the world leader in reducing the risk of the potentially devastating, wide-ranging impacts associated with global warming; and

''(10) to promote, through leadership by the United States, accelerated reductions in global warming pollution from other countries with significant global warming pollution emissions.

"SEC. 703. DEFINITIONS.

''In this title:

''(1) ACADEMY.—The term 'Academy' means the National Academy of Sciences.

''(2) CARBON DIOXIDE EQUIVALENT.—The term 'carbon dioxide equivalent' means, for each global warming pollutant, the quantity of the global warming pollutant that makes the same contribution to global warming as 1 metric ton of carbon dioxide, as determined by the Administrator, taking into account the study and report described in section 705(a).

''(3) FACILITY.—The term 'facility' means all buildings, structures, or installations that are—

''(A) located on 1 or more contiguous or adjacent properties under common control of the same persons; and

''(B) located in the United States.

''(4) GLOBAL WARMING POLLUTANT.—The term 'global warming pollutant' means—

''(A) carbon dioxide;

''(B) methane;

''(C) nitrous oxide;

''(D) hydrofluorocarbons;

''(E) perfluorocarbons;

''(F) sulfur hexafluoride; and

''(G) any other anthropogenically-emitted gas that the Administrator, after notice and comment, determines to contribute to global warming.

''(5) GLOBAL WARMING POLLUTION.—The term 'global warming pollution' means any combination of 1 or more global warming pollutants emitted into the ambient air or atmosphere.

''(6) MARKET-BASED PROGRAM.—The term 'market-based program' means a program that places an absolute limit on the aggregate net global warming pollution emissions of 1 or more sectors of the economy of the United States, while allowing the transfer or sale of global warming pollution emission allowances.

''(7) NAS REPORT.—The term 'NAS report' means a report completed by the Academy under subsection (a) or (b) of section 705.

"SEC. 704. GLOBAL WARMING POLLUTION EMISSION REDUCTIONS.

''(a) EMISSION REDUCTION GOAL.—Congress declares that—

''(1) it shall be the goal of the United States, acting in concert with other countries that emit global warming pollutants, to achieve a reduction in global warming pollution emissions—

''(A) to ensure that the average global temperature does not increase by more than 3.6 degrees Fahrenheit (2 degrees Celsius); and

''(B) to facilitate the achievement of an average global atmospheric concentration of global warming pollutants that does not exceed 450 parts per million in carbon dioxide equivalent; and

''(2) in order to achieve the goal described in paragraph (1), the United States shall reduce the global warming pollution emissions of the United States by a quantity that is proportional to the share of the United States of the reductions that are necessary—

''(A) to ensure that the average global temperature does not increase more than 3.6 degrees Fahrenheit (2 degrees Celsius); and

''(B) to stabilize average global warming pollution concentrations globally at or below 450 parts per million in carbon dioxide equivalent.

''(b) EMISSION REDUCTION MILESTONES FOR 2020.—

''(1) IN GENERAL.—To achieve the goal described in subsection (a)(1), not later than 2 years after the date of enactment of this title, after an opportunity for public notice and comment, the Administrator shall promulgate any rules that are necessary to reduce, by not later than January 1, 2020, the aggregate net levels of global warming pollution emissions of the United States to the aggregate net level of those global warming pollution emissions during calendar year 1990.

''(2) ACHIEVEMENT OF MILESTONES.—To the maximum extent practicable, the reductions described in paragraph (1) shall be achieved through an annual reduction in the aggregate net level of global warming pollution emissions of the United States of approximately 2 percent for each of calendar years 2010 through 2020.

''(c) EMISSION REDUCTION MILESTONES FOR 2030, 2040, AND 2050.—Except as described in subsection (d), not later than January 1, 2018, after an opportunity for public notice and comment, the Administrator shall promulgate any rules that are necessary to reduce the aggregate net levels of global warming pollution emissions of the United States—

''(1) by calendar year 2030, by ⅓ of 80 percent of the aggregate net level of global warming pollution emissions of the United States during calendar year 1990;

''(2) by calendar year 2040, by ⅔ of 80 percent of the aggregate net level of the global warming pollution emissions of the United States during calendar year 1990; and

''(3) by calendar year 2050, by 80 percent of the aggregate net level of global warming pollution emissions of the United States during calendar year 1990.

''(d) ACCELERATED EMISSION REDUCTION MILESTONES.—If an NAS report determines that any of the events described in section 705(a)(2) have occurred, or are more likely than not to occur in the foreseeable future, not later than 2 years after the date of completion of the NAS report, the Administrator, after an opportunity for public notice and comment and taking into account the new information reported in the NAS report, may adjust the milestones under this section and promulgate any rules that are necessary—

''(1) to reduce the aggregate net levels of global warming pollution emissions from the United States on an accelerated schedule; and

''(2) to minimize the effects of rapid climate change and achieve the goals of this title.

''(e) REPORT ON ACHIEVEMENT OF MILESTONES.—If an NAS report determines that a milestone under paragraph (1) or (2) of subsection (c) cannot be achieved because of technological infeasibility, the Administrator shall submit to Congress a notification of that determination.

''(f) EMISSION REDUCTION POLICIES.—

''(1) IN GENERAL.—In implementing subsections (a) through (e), the Administrator may establish 1 or more market-based programs.

''(2) MARKET-BASED PROGRAM POLICIES.—

''(A) IN GENERAL.—In implementing any market-based program, the Administrator shall allocate to households, communities, and other entities described in section 706(a) any global warming pollution emission allowances that are not allocated to entities covered under the emission limitation.

''(B) RECOGNITION OF EMISSION REDUCTIONS MADE IN COMPLIANCE WITH STATE AND LOCAL LAWS.—A market-based program may recognize reductions of global warming pollution emissions made before the effective date of the market-based program if the Administrator determines that—

''(i)(I) the reductions were made in accordance with a State or local law;

''(II) the State or local law is at least as stringent as the rules established for the market-based program under paragraph (1); and

''(III) the reductions are at least as verifiable as reductions made in accordance with those rules; or

''(ii) for any given entity subject to the market-based program, the entity demonstrates that the entity has made entity-wide reductions of global warming pollution emissions before the effective date of the market-based program, but not earlier than calendar year 1992, that are at least as verifiable as reductions made in accordance with the rules established for the market-based program under paragraph (1).

''(C) PUBLICATION.—If the Administrator determines that it is necessary to establish a market-based program, the Administrator shall publish notice of the determination in the Federal Register.

''(D) LIMITATIONS ON MARKET-BASED PROGRAMS.—

''(i) DEFINITIONS.—In this subparagraph:

''(I) ANNUAL ALLOWANCE PRICE.—The term 'annual allowance price' means the average market price of global warming pollution emission allowances for a calendar year.

''(II) DECLINING EMISSIONS CAP WITH A TECHNOLOGY-INDEXED STOP PRICE.—The term 'declining emissions cap with a technology-indexed stop price' means a feature of a market-based program for an industrial sector, or on an economy-wide basis, under which the emissions cap declines by a fixed percentage each calendar year or, during any year in which the annual allowance price exceeds the technology-indexed stop price, the

emissions cap remains the same until the occurrence of the earlier of—

''(aa) the date on which the annual allowance price no longer exceeds the technology-indexed stop price; or

''(bb) the date on which a period of 3 years has elapsed during which the emissions cap has remained unchanged.

''(III) EMISSIONS CAP.—The term 'emissions cap' means the total number of global warming pollution emission allowances issued for a calendar year.

''(IV) TECHNOLOGY-INDEXED STOP PRICE.—The term 'technology-indexed stop price' means a price per ton of global warming pollution emissions determined annually by the Administrator that is not less than the technology-specific average cost of preventing the emission of 1 ton of global warming pollutants through commercial deployment of any available zero-carbon or low-carbon technologies. With respect to the electricity sector, those technologies shall consist of—

''(aa) wind-generated electricity;

''(bb) photovoltaic-generated electricity;

''(cc) geothermal energy;

''(dd) solar thermally-generated energy;

''(ee) wave-based forms of energy;

''(ff) any fossil fuel-based electric generating technology emitting less than 250 pounds per megawatt hour; and

''(gg) any zero-carbon-emitting electric generating technology that does not generate radioactive waste.

''(ii) IMPLEMENTATION.—In implementing any market-based program under this Act, for the period prior to January 1, 2020, the Administrator shall consider the impact on the economy of the United States of implementing the program with a declining emissions cap through the use of a technology-indexed stop price.

''(iii) OTHER EMITTING SECTORS.—The Administrator may consider the use of a declining emissions cap with a technology-indexed stop price, or similar approaches, for other emitting sectors based on low-carbon or zero-carbon technologies, including—

''(I) biofuels;

''(II) hydrogen power; and

''(III) other sources of energy and transportation fuel.

''(g) COST-EFFECTIVENESS.—In promulgating regulations under this section, the Administrator shall select the most cost-effective options for global warming pollution control and emission reduction strategies.

''SEC. 705. CONDITIONS FOR ACCELERATED GLOBAL WARMING POLLUTION EMISSION REDUCTION.

''(a) REPORT ON GLOBAL CHANGE EVENTS BY THE ACADEMY.—

''(1) IN GENERAL.—The Administrator shall offer to enter into a contract with the Academy under which the Academy, not later than 2 years after the date of enactment of this title, and every 3 years thereafter, shall submit to Congress and the Administrator a report that describes whether any of the events described in paragraph (2)—

''(A) have occurred or are more likely than not to occur in the foreseeable future; and

''(B) in the judgment of the Academy, are the result of anthropogenic climate change.

''(2) EVENTS.—The events referred to in paragraph (1) are—

''(A) the exceedance of an atmospheric concentration of global warming pollutants of 450 parts per million in carbon dioxide equivalent; and

''(B) an increase of global average temperatures in excess of 3.6 degrees Fahrenheit (2 degrees Celsius) above the preindustrial average.

''(b) TECHNOLOGY REPORTS.—

''(1) DEFINITION OF TECHNOLOGICALLY INFEASIBLE.—In this subsection, the term 'technologically infeasible', with respect to a technology, means that the technology—

''(A) will not be demonstrated beyond laboratory-scale conditions;

''(B) would be unsafe;

''(C) would not reliably reduce global warming pollution emissions; or

''(D) would prevent the activity to which the technology applies from meeting or performing its primary purpose (such as generating electricity or transporting goods or individuals).

''(2) REPORTS.—The Administrator shall offer to enter into a contract with the Academy under which the Academy, not later than 2 years after the date of enactment of this title and every 3 years thereafter, shall submit to Congress and the Administrator a report that describes or analyzes—

''(A) the status of current global warming pollution emission reduction technologies, including—

''(i) technologies for capture and disposal of global warming pollutants;

''(ii) efficiency improvement technologies;

''(iii) zero-global-warming-pollution-emitting energy technologies; and

''(iv) above- and below-ground biological sequestration technologies;

''(B) whether any of the requirements under this title (including regulations promulgated under this title) mandate a level of emission control or reduction that, based on available or expected technology, will be technologically infeasible at the time at which the requirements become effective;

''(C) the projected date on which any technology determined to be technologically infeasible will become technologically feasible;

''(D) whether any technology determined to be technologically infeasible cannot reasonably be expected to become technologically feasible prior to calendar year 2050; and

''(E) the costs of available alternative global warming pollution emission reduction strategies that could be used or pursued in lieu of any technologies that are determined to be technologically infeasible.

''(3) REPORT EVALUATING 2050 MILESTONE.—Not later than December 31, 2037, the Administrator shall offer to enter into a contract with the Academy under which, not later than December 31, 2039, the Academy shall prepare and submit to Congress and the Administrator a report on the appropriateness of the milestone described in section 704(c)(3), taking into consideration—

''(A) information that was not available as of the date of enactment of this title; and

''(B) events that have occurred since that date relating to—

''(i) climate change;

''(ii) climate change technologies; and

''(iii) national and international climate change commitments.

''(c) ADDITIONAL ITEMS IN NAS REPORT.—In addition to the information described in subsection (a)(1) that is required to be included in the NAS report, the Academy shall include in the NAS report—

''(1) an analysis of the trends in annual global warming pollution emissions by the United States and the other countries that collectively account for more than 90 percent of global warming pollution emissions (including country-specific inventories of global warming pollution emissions and facility-specific inventories of global warming pollution emissions in the United States);

''(2) an analysis of the trends in global warming pollution concentrations (including observed atmospheric concentrations of global warming pollutants);

''(3) a description of actual and projected global change impacts that may be caused by anthropogenic global warming pollution emissions, in addition to the events described in subsection (a)(2); and

''(4) such other information as the Academy determines to be appropriate.

''SEC. 706. USE OF ALLOWANCES FOR TRANSITION ASSISTANCE AND OTHER PURPOSES.

''(a) REGULATIONS GOVERNING ALLOCATION OF ALLOWANCES FOR TRANSITION ASSISTANCE TO INDIVIDUALS AND ENTITIES.—

''(1) IN GENERAL.—In implementing any market-based program, the Administrator may promulgate regulations providing for the allocation of global warming pollution emission allowances to the individuals and entities, or for the purposes, specified in subsection (b).

''(2) REQUIREMENTS.—Regulations promulgated under paragraph (1) may, as the Administrator determines to be necessary, provide for the appointment of 1 or more trustees—

''(A) to receive emission allowances for the benefit of households, communities, and other entities described in paragraph (1);

''(B) to sell the emission allowances at fair market value; and

''(C) to distribute the proceeds of any sale of emission allowances to the appropriate beneficiaries.

''(b) ALLOCATION FOR TRANSITION ASSISTANCE.—The Administrator may allocate emission allowances, in accordance with regulations promulgated under subsection (a), to—

''(1) communities, individuals, and companies that have experienced disproportionate adverse impacts as a result of—

''(A) the transition to a lower carbon-emitting economy; or

''(B) global warming;

''(2) owners and operators of highly energy-efficient buildings, including—

''(A) residential users;

''(B) producers of highly energy-efficient products; and

''(C) entities that carry out energy-efficiency improvement projects pursuant to section 712 that result in consumer-side reductions in electricity use;

''(3) entities that will use the allowances for the purpose of carrying out geological sequestration of carbon dioxide produced by an anthropogenic global warming pollution emission source in accordance with requirements established by the Administrator;

''(4) such individuals and entities as the Administrator determines to be appropriate, for use in carrying out projects to reduce net carbon dioxide emissions through above-ground and below-ground biological carbon dioxide sequestration (including sequestration in forests, forest soils, agricultural soils, rangeland, or grassland in the United States);

''(5) such individuals and entities (including fish and wildlife agencies) as the Administrator determines to be appropriate, for use in carrying out projects to protect and restore ecosystems (including fish and wildlife) affected by climate change; and

''(6) manufacturers producing consumer products that result in substantially reduced global warming pollution emissions, for use in funding rebates for purchasers of those products.

''SEC. 707. VEHICLE EMISSION STANDARDS.

''(a) VEHICLES UNDER 10,000 POUNDS.—

''(1) IN GENERAL.—Not later than January 1, 2010, the Administrator shall promulgate regulations requiring each fleet of automobiles sold by a manufacturer in the United States beginning in model year 2016 to meet the standards for global warming pollution emissions described in paragraph (2).

''(2) EMISSION STANDARDS.—The average global warming pollution emissions of a vehicle fleet described in paragraph (1) shall not exceed—

''(A) 205 carbon dioxide equivalent grams per mile for automobiles with—

''(i) a gross vehicle weight of not more than 8,500 pounds; and

''(ii) a loaded vehicle weight of not more than 3,750 pounds;

''(B) 332 carbon dioxide equivalent grams per mile for—

''(i) automobiles with—

''(I) a gross vehicle weight of not more than 8,500 pounds; and

''(II) a loaded vehicle weight of more than 3,750 pounds; and

''(ii) medium-duty passenger vehicles; and

''(C) 405 carbon dioxide equivalent grams per mile for vehicles—

''(i) with a gross vehicle weight of between 8,501 pounds and 10,000 pounds; and

''(ii) that are not medium-duty passenger vehicles.

''(3) HEIGHTENED STANDARDS.—After model year 2016, the Administrator may promulgate regulations that increase the stringency of emission standards described in paragraph (2) as necessary to meet the emission reduction goal described in section 704(e)(3).

''(b) HIGHWAY VEHICLES OVER 10,000 POUNDS.—

''(1) IN GENERAL.—Not later than January 1, 2010, the Administrator shall promulgate regulations requiring each fleet of highway vehicles over 10,000 pounds sold by a manufacturer in the United States beginning in model year 2020 to meet the standards for global warming pollution emissions described in paragraph (2).

''(2) EMISSION STANDARDS.—The average global warming pollution emissions of a vehicle fleet described in paragraph (1) shall not exceed—

''(A) 850 carbon dioxide equivalent grams per mile for highway vehicles with a gross vehicle weight rating between 10,001 pounds and 26,000 pounds; and

''(B) 1,050 carbon dioxide equivalent grams per mile for highway vehicles with a gross vehicle weight rating of more than 26,000 pounds.

''(3) HEIGHTENED STANDARDS.—After model year 2020, the Administrator may promulgate regulations that increase the stringency of emission standards described in paragraph (2) as necessary to meet the emission reduction goal described in section 704(a)(1).

''(c) ADJUSTMENT OF REQUIREMENTS.—Taking into account appropriate lead times for vehicle manufacturers, if the Academy determines, pursuant to an NAS report, that a vehicle emission standard under this section is or will be technologically infeasible as of the effective date of the standard, the Administrator may, by regulation, modify the requirement to take into account the determination of the Academy.

''(d) STUDY.—

''(1) IN GENERAL.—Not later than January 1, 2008, the Administrator shall enter into a contract with the Academy under which the Academy shall conduct a study of, and submit to the Administrator a report on, the potential contribution of the non-highway portion of the transportation sector toward meeting the emission reduction goal described in section 704(a)(1).

''(2) REQUIREMENTS.—The study shall analyze—

''(A) the technological feasibility and cost-effectiveness of global warming pollution reductions from the non-highway sector; and

''(B) the overall potential contribution of that sector in terms of emissions, in meeting the emission reduction goal described in section 704(a)(1).

''SEC. 708. EMISSION STANDARDS FOR ELECTRIC GENERATION UNITS.

''(a) INITIAL STANDARD.—

''(1) IN GENERAL.—Not later than 2 years after the date of enactment of this title, the Administrator shall, by regulation, require each unit that is designed and intended to provide electricity at a unit capacity factor of at least 60 percent and that begins operation after December 31, 2011, to meet the standard described in paragraph (2).

''(2) STANDARD.—Beginning on December 31, 2015, a unit described in paragraph (1) shall meet a global warming pollution emission standard that is not higher than the emission rate of a new combined cycle natural gas generating unit.

''(3) MORE STRINGENT REQUIREMENTS.—For the period beginning on January 1 of the calendar year following the effective date of the regulation described in paragraph (1) and ending on December 31, 2029, the Administrator may increase the stringency of the global warming pollution emission standard described in paragraph (1) with respect to electric generation units described in that paragraph.

''(b) FINAL STANDARD.—Not later than December 31, 2030, the Administrator shall require each electric generation unit, regardless of when the unit began to operate, to meet the applicable emission standard under subsection (a).

''(c) ADJUSTMENT OF REQUIREMENTS.—If the Academy determines, pursuant to section 705, that a requirement of this section is or will be technologically infeasible at the time at which the requirement becomes effective, the Administrator, may, by regulation, adjust or delay the effective date of the requirement as is necessary to take into consideration the determination of the Academy.

''SEC. 709. LOW-CARBON GENERATION REQUIREMENT.

''(a) DEFINITIONS.—In this section:

''(1) BASE QUANTITY OF ELECTRICITY.—The term 'base quantity of electricity' means the total quantity of electricity produced for sale by a covered generator during the calendar year immediately preceding a compliance year from coal, petroleum coke, lignite, or any combination of those fuels.

''(2) COVERED GENERATOR.—The term 'covered generator' means an electric generating unit that—

''(A) has a rated capacity of 25 megawatts or more; and

''(B) has an annual fuel input at least 50 percent of which is provided by coal, petroleum coke, lignite, or any combination of those fuels.

''(3) LOW-CARBON GENERATION.—The term 'low-carbon generation' means electric energy generated from an electric generating unit at least 50 percent of the annual fuel input of which, in any year—

''(A) is provided by coal, petroleum coke, lignite, biomass, or any combination of those fuels; and

''(B) results in an emission rate into the atmosphere of not more than 250 pounds of carbon dioxide per megawatt-hour (after adjustment for carbon dioxide from the electric generating unit that is geologically sequestered in a geological repository approved by the Administrator pursuant to subsection (e)).

''(4) PROGRAM.—The term 'program' means the low-carbon generation credit trading program established under subsection (d)(1).

''(b) REQUIREMENT.—

''(1) CALENDAR YEARS 2015 THROUGH 2020.—Of the base quantity of electricity produced for sale by a covered generator for a calendar year, the covered generator shall provide a minimum percentage of that base quantity of electricity for the calendar year from low-carbon generation, as specified in the following table:

"Calendar year:	Minimum annual percentage:
2015	0.5
2016	1.0
2017	2.0
2018	3.0
2019	4.0
2020	5.0

''(2) CALENDAR YEARS 2021 THROUGH 2025.—For each of calendar years 2021 through 2025, the Administrator may increase the minimum percentage of the base quantity of electricity from low-carbon generation described in paragraph (1) by up to 2 percentage points from the previous year, as the Administrator determines to be necessary to achieve the emission reduction goal described in section 704(a)(1).

''(3) CALENDAR YEARS 2026 THROUGH 2030.—For each of calendar years 2026 through 2030, the Administrator may increase the minimum percentage of the base quantity of electricity from low-carbon generation described in paragraph (1) by up to 3 percentage points from the previous year, as the Administrator determines to be necessary to achieve the emission reduction goal described in section 704(a)(1).

''(c) MEANS OF COMPLIANCE.—An owner or operator of a covered generator shall comply with subsection (b) by—

''(1) generating electric energy using low-carbon generation;

''(2) purchasing electric energy generated by low-carbon generation;

''(3) purchasing low-carbon generation credits issued under the program; or

''(4) undertaking a combination of the actions described in paragraphs (1) through (3).

''(d) LOW-CARBON GENERATION CREDIT TRADING PROGRAM.—

''(1) IN GENERAL.—Not later than January 1, 2008, the Administrator shall establish, by regulation after notice and opportunity for comment, a low-carbon generation trading program to permit an owner or operator of a covered generator that does not generate or purchase enough electric energy from low-carbon generation to comply with subsection (b) to achieve that compliance by purchasing sufficient low-carbon generation credits.

''(2) REQUIREMENTS.—As part of the program, the Administrator shall—

''(A) issue to producers of low-carbon generation, on a quarterly basis, a single low-carbon generation credit for each kilowatt hour of low-carbon generation sold during the preceding quarter; and

''(B) ensure that a kilowatt hour, including the associated low-carbon generation credit, shall be used only once for purposes of compliance with subsection (b).

''(e) ENFORCEMENT.—An owner or operator of a covered generator that fails to comply with subsection (b) shall be subject to a civil penalty in an amount equal to the product obtained by multiplying—

''(1) the number of kilowatt-hours of electric energy sold to electric consumers in violation of subsection (b); and

''(2) the greater of—

''(A) 2.5 cents (as adjusted under subsection (g)); or

''(B) 200 percent of the average market value of those low-carbon generation credits during the year in which the violation occurred.

''(f) EXEMPTION.—This section shall not apply for any calendar year to an owner or operator of a covered generator that sold less than 40,000 megawatt-hours of electric energy produced from covered generators during the preceding calendar year.

''(g) INFLATION ADJUSTMENT.—Not later than December 31, 2008, and annually thereafter, the Administrator shall adjust the

amount of the civil penalty for each kilowatt-hour calculated under subsection (e)(2) to reflect changes for the 12-month period ending on the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

''(h) TECHNOLOGICAL INFEASIBILITY.—If the Academy determines, pursuant to section 705, that the schedule for compliance described in subsection (b) is or will be technologically infeasible for covered generators to meet, the Administrator may, by regulation, adjust the schedule as the Administrator determines to be necessary to take into account the consideration of the determination of the Academy.

''(i) TERMINATION OF AUTHORITY.—This section and the authority provided by this section terminate on December 31, 2030.

''SEC. 710. GEOLOGICAL DISPOSAL OF GLOBAL WARMING POLLUTANTS.

''(a) GEOLOGICAL CARBON DIOXIDE DISPOSAL DEPLOYMENT PROJECTS.—

''(1) IN GENERAL.—The Administrator shall establish a competitive grant program to provide grants to 5 entities for the deployment of projects to geologically dispose of carbon dioxide (referred to in this subsection as 'geological disposal deployment projects').

''(2) LOCATION.—Each geological disposal deployment project shall be conducted in a geologically distinct location in order to demonstrate the suitability of a variety of geological structures for carbon dioxide disposal.

''(3) COMPONENTS.—Each geological disposal deployment project shall include an analysis of—

''(A) mechanisms for trapping the carbon dioxide to be geologically disposed;

''(B) techniques for monitoring the geologically disposed carbon dioxide;

''(C) public response to the geological disposal deployment project; and

''(D) the permanency of carbon dioxide storage in geological reservoirs.

''(4) REQUIREMENTS.—

''(A) IN GENERAL.—The Administrator shall establish—

''(i) appropriate conditions for environmental protection with respect to geological disposal deployment projects to protect public health and the environment; and

''(ii) requirements relating to applications for grants under this subsection.

''(B) RULEMAKING.—The establishment of requirements under subparagraph (A) shall not require a rulemaking.

''(C) MINIMUM REQUIREMENTS.—At a minimum, each application for a grant under this subsection shall include—

''(i) a description of the geological disposal deployment project proposed in the application;

''(ii) an estimate of the quantity of carbon dioxide to be geologically disposed over the life of the geological disposal deployment project; and

''(iii) a plan to collect and disseminate data relating to each geological disposal deployment project to be funded by the grant.

''(5) PARTNERS.—An applicant for a grant under this subsection may carry out a geological disposal deployment project under a pilot program in partnership with 1 or more public or private entities.

''(6) SELECTION CRITERIA.—In evaluating applications under this subsection, the Administrator shall—

''(A) consider the previous experience of each applicant with similar projects; and

''(B) give priority consideration to applications for geological disposal deployment projects that—

''(i) offer the greatest geological diversity from other projects that have previously been approved;

''(ii) are located in closest proximity to a source of carbon dioxide;

''(iii) make use of the most affordable source of carbon dioxide;

''(iv) are expected to geologically dispose of the largest quantity of carbon dioxide;

''(v) are combined with demonstrations of advanced coal electricity generation technologies;

''(vi) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed demonstration project and the greatest likelihood that the demonstration project will be maintained or expanded after Federal assistance under this subsection is completed; and

''(vii) minimize any adverse environmental effects from the project.

''(7) PERIOD OF GRANTS.—

''(A) IN GENERAL.—A geological disposal deployment project funded by a grant under this subsection shall begin construction not later than 3 years after the date on which the grant is provided.

''(B) TERM.—The Administrator shall not provide grant funds to any applicant under this subsection for a period of more than 5 years.

''(8) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Administrator shall establish mechanisms to ensure that the information and knowledge gained by participants in the program under this subsection are published and disseminated, including to other applicants that submitted applications for a grant under this subsection.

''(9) SCHEDULE.—

''(A) PUBLICATION.—Not later than 180 days after the date of enactment of this title, the Administrator shall publish in the Federal Register, and elsewhere as appropriate, a request for applications to carry out geological disposal deployment projects.

''(B) DATE FOR APPLICATIONS.—An application for a grant under this subsection shall be submitted not later than 180 days after the date of publication of the request under subparagraph (A).

''(C) SELECTION.—After the date by which applications for grants are required to be submitted under subparagraph (B), the Administrator, in a timely manner, shall select, after peer review and based on the criteria under paragraph (6), those geological disposal deployment projects to be provided a grant under this subsection.

''(b) INTERIM STANDARDS.—Not later than 3 years after the date of enactment of this title, the Administrator, in consultation with the Secretary of Energy, shall, by regulation, establish interim geological carbon dioxide disposal standards that address—

''(1) site selection;

''(2) permitting processes;

''(3) monitoring requirements;

''(4) public participation; and

''(5) such other issues as the Administrator and the Secretary of Energy determine to be appropriate.

''(c) FINAL STANDARDS.—Not later than 6 years after the date of enactment of this title, taking into account the results of geological disposal deployment projects carried out under subsection (a), the Administrator shall, by regulation, establish final geological carbon dioxide disposal standards.

''(d) CONSIDERATIONS.—In developing standards under subsections (b) and (c), the Administrator shall consider the experience in the United States in regulating—

''(1) underground injection of waste;

''(2) enhanced oil recovery;

''(3) short-term storage of natural gas; and

''(4) long-term waste storage.

''(e) TERMINATION OF AUTHORITY.—This section and the authority provided by this section terminate on December 31, 2030.

''SEC. 711. RESEARCH AND DEVELOPMENT.

''(a) IN GENERAL.—The Administrator shall carry out a program to perform and support research on global climate change standards and processes, with the goals of—

''(1) providing scientific and technical knowledge applicable to the reduction of global warming pollutants; and

''(2) facilitating implementation of section 704.

''(b) RESEARCH PROGRAM.—

''(1) IN GENERAL.—The Administrator shall carry out, directly or through the use of contracts or grants, a global climate change standards and processes research program.

''(2) RESEARCH.—

''(A) CONTENTS AND PRIORITIES.—The specific contents and priorities of the research program shall be determined in consultation with appropriate Federal agencies, including—

''(i) the National Oceanic and Atmospheric Administration;

''(ii) the National Aeronautics and Space Administration; and

''(iii) the Department of Energy.

''(B) TYPES OF RESEARCH.—The research program shall include the conduct of basic and applied research—

''(i) to develop and provide the enhanced measurements, calibrations, data, models, and reference material standards necessary to enable the monitoring of global warming pollution;

''(ii) to assist in establishing a baseline reference point for future trading in global warming pollutants (including the measurement of progress in emission reductions);

''(iii) for international exchange as scientific or technical information for the stated purpose of developing mutually-recognized measurements, standards, and procedures for reducing global warming pollution; and

''(iv) to assist in developing improved industrial processes designed to reduce or eliminate global warming pollution.

''(3) ABRUPT CLIMATE CHANGE RESEARCH.—

''(A) DEFINITION OF ABRUPT CLIMATE CHANGE.—In this paragraph, the term 'abrupt climate change' means a change in climate that occurs so rapidly or unexpectedly that humans or natural systems may have difficulty adapting to the change.

''(B) RESEARCH.—The Administrator shall carry out a program of scientific research on potential abrupt climate change that is designed—

''(i) to develop a global array of terrestrial and oceanographic indicators of paleoclimate in order to identify and describe past instances of abrupt climate change;

''(ii) to improve understanding of thresholds and nonlinearities in geophysical systems relating to the mechanisms of abrupt climate change;

''(iii) to incorporate those mechanisms into advanced geophysical models of climate change; and

''(iv) to test the output of those models against an improved global array of records of past abrupt climate changes.

''(c) SENSE OF THE SENATE.—It is the sense of the Senate that Federal funds for clean, low-carbon energy research, development, and deployment should be increased by at least 100 percent for each year during the 10-year period beginning on the date of enactment of this title.

''SEC. 712. ENERGY EFFICIENCY PERFORMANCE STANDARD.

''(a) DEFINITIONS.—In this section:

''(1) ELECTRICITY SAVINGS.—

''(A) IN GENERAL.—The term 'electricity savings' means reductions in end-use electricity consumption relative to consumption by the same customer or at the same new or

existing facility in a given year, as defined in regulations promulgated by the Administrator under subsection (e).

''(B) INCLUSIONS.—The term 'savings' includes savings achieved as a result of—

''(i) installation of energy-saving technologies and devices; and

''(ii) the use of combined heat and power systems, fuel cells, or any other technology identified by the Administrator that recaptures or generates energy solely for onsite customer use.

''(C) EXCLUSION.—The term 'savings' does not include savings from measures that would likely be adopted in the absence of energy-efficiency programs, as determined by the Administrator.

''(2) RETAIL ELECTRICITY SALES.—The term 'retail electricity sales' means the total quantity of electric energy sold by a retail electricity supplier to retail customers during the most recent calendar year for which that information is available.

''(3) RETAIL ELECTRICITY SUPPLIER.—The term 'retail electricity supplier' means a distribution or integrated utility, or an independent company or entity, that sells electric energy to consumers.

''(b) ENERGY EFFICIENCY PERFORMANCE STANDARD.—Each retail electricity supplier shall implement programs and measures to achieve improvements in energy efficiency and peak load reduction, as verified by the Administrator.

''(c) TARGETS.—For calendar year 2008 and each calendar year thereafter, the Administrator shall ensure that retail electric suppliers annually achieve electricity savings and reduce peak power demand and electricity use by retail customers by a percentage that is not less than the applicable target percentage specified in the following table:

Calendar year	Reduction in peak demand (in percent)	Reduction in electricity use (in percent)
2008	.25	.25
2009	.75	.75
2010	1.75	1.5
2011	2.75	2.25
2012	3.75	3.0
2013	4.75	3.75
2014	5.75	4.5
2015	6.75	5.25
2016	7.75	6.0
2017	8.75	6.75
2018	9.75	7.5
2019	10.75	8.25
2020 and each calendar year thereafter	11.75	9.0

''(d) BEGINNING DATE.—For the purpose of meeting the targets established under subsection (c), electricity savings shall be calculated based on the sum of—

''(1) savings realized as a result of actions taken by the retail electric supplier during the specified calendar year; and

''(2) cumulative savings realized as a result of electricity savings achieved in all previous calendar years (beginning with calendar year 2006).

''(e) IMPLEMENTING REGULATIONS.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this title, the Administrator shall promulgate regulations to implement the targets established under subsection (c).

''(2) REQUIREMENTS.—The regulations shall establish—

''(A) a national credit system permitting credits to be awarded, bought, sold, or traded by and among retail electricity suppliers;

''(B) a fee equivalent to not less than 4 cents per kilowatt hour for retail energy suppliers that do not meet the targets established under subsection (c); and

''(C) standards for monitoring and verification of electricity use and demand savings reported by the retail electricity suppliers.

''(3) CONSIDERATION OF TRANSMISSION AND DISTRIBUTION EFFICIENCY.—In developing regulations under this subsection, the Administrator shall consider whether savings, in whole or part, achieved by retail electricity suppliers by improving the efficiency of electric distribution and use should be eligible for credits established under this section.

''(f) COMPLIANCE WITH STATE LAW.—Nothing in this section shall supersede or otherwise affect any State or local law requiring or otherwise relating to reductions in total annual electricity consumption, or peak power consumption, by electric consumers to the extent that the State or local law requires more stringent reductions than those required under this section.

''(g) VOLUNTARY PARTICIPATION.—The Administrator may—

''(1) pursuant to the regulations promulgated under subsection (e)(1), issue a credit to any entity that is not a retail electric supplier if the entity implements electricity savings; and

''(2) in a case in which an entity described in paragraph (1) is a nonprofit or educational organization, provide to the entity 1 or more grants in lieu of a credit.

''SEC. 713. RENEWABLE PORTFOLIO STANDARD.

''(a) RENEWABLE ENERGY.—

''(1) IN GENERAL.—The Administrator, in consultation with the Secretary of Energy, shall promulgate regulations defining the types and sources of renewable energy generation that may be carried out in accordance with this section.

''(2) INCLUSIONS.—In promulgating regulations under paragraph (1), the Administrator shall include of all types of renewable energy (as defined in section 203(b) of the Energy Policy Act of 2005 (42 U.S.C. 15852(b))) other than energy generated from—

''(A) municipal solid waste;

''(B) wood contaminated with plastics or metals; or

''(C) tires.

''(b) RENEWABLE ENERGY REQUIREMENT.—Of the base quantity of electricity sold by each retail electric supplier to electric consumers during a calendar year, the quantity generated by renewable energy sources shall be not less than the following percentages:

''Calendar year:	**Minimum annual percentage:**
2008 through 2009	5
2010 through 2014	10
2015 through 2019	15
2020 and subsequent years	20

''(c) RENEWABLE ENERGY CREDIT PROGRAM.—Not later than 1 year after the date of enactment of this title, the Administrator shall establish—

''(1) a program to issue, establish the value of, monitor the sale or exchange of, and track renewable energy credits; and

''(2) penalties for any retail electric supplier that does not comply with this section.

''(d) PROHIBITION ON DOUBLE COUNTING.—A renewable energy credit issued under subsection (c)—

''(1) may be counted toward meeting the requirements of subsection (b) only once; and

''(2) shall vest with the owner of the system or facility that generates the renewable energy that is covered by the renewable energy credit, unless the owner explicitly transfers the renewable energy credit.

''(e) SALE UNDER PURPA CONTRACT.—If the Administrator, after consultation with the Secretary of Energy, determines that a renewable energy generator is selling electricity to comply with this section to a retail electric supplier under a contract subject to section 210 of the Public Utilities Regulatory Policies Act of 1978 (16 U.S.C. 824a–3), the retail electric supplier shall be treated as the generator of the electric energy for the purposes of this title for the duration of the contract.

''(f) STATE PROGRAMS.—Nothing in this section precludes any State from requiring additional renewable energy generation under any State renewable energy program.

''(g) VOLUNTARY PARTICIPATION.—The Administrator may issue a renewable energy credit pursuant to subsection (c) to any entity that is not subject to this section only if the entity applying for the renewable energy credit meets the terms and conditions of this section to the same extent as retail electric suppliers subject to this section.

''SEC. 714. STANDARDS TO ACCOUNT FOR BIOLOGICAL SEQUESTRATION OF CARBON.

''(a) IN GENERAL.—Not later than 2 years after the date of enactment of title, the Secretary of Agriculture, with the concurrence of the Administrator, shall establish standards for accrediting certified reductions in the emission of carbon dioxide through above-ground and below-ground biological sequestration activities.

''(b) REQUIREMENTS.—The standards shall include—

''(1) a national biological carbon storage baseline or inventory; and

''(2) measurement, monitoring, and verification guidelines based on—

''(A) measurement of increases in carbon storage in excess of the carbon storage that would have occurred in the absence of a new management practice designed to achieve biological sequestration of carbon;

''(B) comprehensive carbon accounting that—

''(i) reflects sustained net increases in carbon reservoirs; and

''(ii) takes into account any carbon emissions resulting from disturbance of carbon reservoirs in existence as of the date of commencement of any new management practice designed to achieve biological sequestration of carbon;

''(C) adjustments to account for—

''(i) emissions of carbon that may result at other locations as a result of the impact of the new biological sequestration management practice on timber supplies; or

''(ii) potential displacement of carbon emissions to other land owned by the entity that carries out the new biological sequestration management practice; and

''(D) adjustments to reflect the expected carbon storage over various time periods, taking into account the likely duration of the storage of carbon in a biological reservoir.

''(c) UPDATING OF STANDARDS.—Not later than 3 years after the date of establishment of the standards under subsection (a), and every 3 years thereafter, the Secretary of Agriculture shall update the standards to take into account the most recent scientific information.

''SEC. 715. GLOBAL WARMING POLLUTION REPORTING.

''(a) IN GENERAL.—Not later than 2 years after the date of enactment of this title, and annually thereafter, any entity considered to be a major stationary source (as defined in section 169A(g)) shall submit to the Administrator a report describing the emissions of global warming pollutants from the entity for the preceding calendar year.

''(b) VOLUNTARY REPORTING.—An entity that is not described in subsection (a) may voluntarily report the emissions of global warming pollutants from the entity to the Administrator.

''(c) REQUIREMENTS FOR REPORTS.—

''(1) EXPRESSION OF MEASUREMENTS.—Each global warming pollution report submitted under this section shall express global warming pollution emissions in—

''(A) metric tons of each global warming pollutant; and

''(B) metric tons of the carbon dioxide equivalent of each global warming pollutant.

''(2) ELECTRONIC FORMAT.—The information contained in a report submitted under this section shall be reported electronically to the Administrator in such form and to such extent as may be required by the Administrator.

''(3) DE MINIMIS EXEMPTION.—The Administrator may specify the level of global warming pollution emissions from a source within a facility that shall be considered to be a de minimis exemption from the requirement to comply with this section.

''(d) PUBLIC AVAILABILITY OF INFORMATION.—Not later than March 1 of the year after which the Administrator receives a report under this subsection from an entity, and annually thereafter, the Administrator shall make the information reported under this section available to the public through the Internet.

''(e) PROTOCOLS AND METHODS.—The Administrator shall, by regulation, establish protocols and methods to ensure completeness, consistency, transparency, and accuracy of data on global warming pollution emissions submitted under this section.

''(f) ENFORCEMENT.—Regulations promulgated under this section may be enforced pursuant to section 113 with respect to any person that—

''(1) fails to submit a report under this section; or

''(2) otherwise fails to comply with those regulations.

''SEC. 716. CLEAN ENERGY TECHNOLOGY DEPLOYMENT IN DEVELOPING COUNTRIES.

''(a) DEFINITIONS.—In this section:

''(1) CLEAN ENERGY TECHNOLOGY.—The term 'clean energy technology' means an energy supply or end-use technology that, over the lifecycle of the technology and compared to a similar technology already in commercial use in any developing country—

''(A) is reliable; and

''(B) results in reduced emissions of global warming pollutants.

''(2) DEVELOPING COUNTRY.—

''(A) IN GENERAL.—The term 'developing country' means any country not listed in Annex I of the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992.

''(B) INCLUSION.—The term 'developing country' may include a country with an economy in transition, as determined by the Secretary.

''(3) TASK FORCE.—The term 'Task Force' means the Task Force on International Clean, Low-Carbon Energy Cooperation established under subsection (b)(1).

''(b) TASK FORCE.—

''(1) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this title, the President shall establish a task force to be known as the 'Task Force on International Clean, Low Carbon Energy Cooperation'.

''(2) COMPOSITION.—The Task Force shall be composed of—

''(A) the Administrator and the Secretary of State, who shall serve jointly as Co-Chairpersons; and

''(B) representatives, appointed by the head of the respective Federal agency, of—

''(i) the Department of Commerce;

''(ii) the Department of the Treasury;

''(iii) the United States Agency for International Development;

''(iv) the Export-Import Bank;

''(v) the Overseas Private Investment Corporation;

''(vi) the Office of United States Trade Representative; and

''(vii) such other Federal agencies as are determined to be appropriate by the President.

''(c) DUTIES.—

''(1) INITIAL STRATEGY.—

''(A) IN GENERAL.—Not later than 1 year after the date of enactment of this title, the Task Force shall develop and submit to the President an initial strategy—

''(i) to support the development and implementation of programs and policies in developing countries to promote the adoption of clean, low-carbon energy technologies and energy-efficiency technologies and strategies, with an emphasis on those developing countries that are expected to experience the most significant growth in global warming pollution emissions over the 20-year period beginning on the date of enactment of this title; and

''(ii)(I) open and expand clean, low-carbon energy technology markets; and

''(II) facilitate the export of that technology to developing countries.

''(B) SUBMISSION TO CONGRESS.—On receipt of the initial strategy from the Task Force under subparagraph (A), the President shall submit the initial strategy to Congress.

''(2) FINAL STRATEGY.—Not later than 2 years after the date of submission of the initial strategy under paragraph (1), and every 2 years thereafter—

''(A) the Task Force shall—

''(i) review and update the initial strategy; and

''(ii) report the results of the review and update to the President; and

''(B) the President shall submit to Congress a final strategy.

''(3) PERFORMANCE CRITERIA.—The Task Force shall develop and submit to the Administrator performance criteria for use in the provision of assistance under this section.

''(d) PROVISION OF ASSISTANCE.—The Administrator may—

''(1) provide assistance to developing countries for use in carrying out activities that are consistent with the priorities established in the final strategy; and

''(2) establish a pilot program that provides financial assistance for qualifying projects (as determined by the Administrator) in accordance with—

''(A) the final strategy submitted under subsection (c)(2)(B); and

''(B) any performance criteria developed by the Task Force under subsection (c)(3).

''SEC. 717. PARAMOUNT INTEREST WAIVER.

''(a) IN GENERAL.—If the President determines that a national security emergency exists and, in light of information that was not available as of the date of enactment of this title, that it is in the paramount interest of the United States to modify any requirement under this title to minimize the effects of the emergency, the President may, after opportunity for public notice and comment, temporarily adjust, suspend, or waive any regulations promulgated pursuant to this title to achieve that minimization.

''(b) CONSULTATION.—In making an emergency determination under subsection (a), the President shall, to the maximum extent practicable, consult with and take into account any advice received from—

''(1) the Academy;

''(2) the Secretary of Energy; and

''(3) the Administrator.

''(c) JUDICIAL REVIEW.—An emergency determination under subsection (a) shall be subject to judicial review under section 307.

''SEC. 718. EFFECT ON OTHER LAW.

''Nothing in this title—

''(1) affects the ability of a State to take State actions to further limit climate change (except that section 209 shall apply to standards for vehicles); and

''(2) except as expressly provided in this title—

''(A) modifies or otherwise affects any requirement of this Act in effect on the day before the date of enactment of this title; or

''(B) relieves any person of the responsibility to comply with this Act.''.

SEC. 3. RENEWABLE CONTENT OF GASOLINE.

Section 211(o) of the Clean Air Act (as amended by section 1501 of the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 1067)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraph (B) as subparagraph (E); and

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

''(B) LOW-CARBON RENEWABLE FUEL.—The term 'low-carbon renewable fuel' means renewable fuel the use of which, on a full fuel cycle, per-mile basis, and as compared with the use of gasoline, achieves a reduction in global warming pollution emissions of 75 percent or more.''; and

(2) in paragraph (2)—

(A) in subparagraph (A)(i), by inserting ''and low-carbon renewable fuel'' after ''renewable fuel''; and

(B) in subparagraph (B)—

(i) in clause (iv), by striking ''(iv) MINIMUM APPLICABLE VOLUME.—For the purpose of subparagraph (A), the applicable volume'' and inserting the following:

''(iv) MINIMUM APPLICABLE VOLUME OF RENEWABLE FUEL.—For the purpose of subparagraph (A), the minimum applicable volume of renewable fuel'';

(ii) by adding at the end the following:

''(v) MINIMUM APPLICABLE VOLUME OF LOW-CARBON RENEWABLE FUEL.—For the purpose of subparagraph (A), the minimum applicable volume of low-carbon renewable fuel for calendar year 2015 and each calendar year thereafter shall be 5,000,000,000 gallons.''.

SEC. 4. ENFORCEMENT AND JUDICIAL REVIEW.

(a) FEDERAL ENFORCEMENT.—Section 113 of the Clean Air Act (42 U.S.C. 7413) is amended—

(1) in subsection (a)(3), by striking ''or title VI,'' and inserting ''title VI, or title VII,'';

(2) in subsection (b)(2), by striking ''or title VI,'' and inserting ''title VI, or title VII,'';

(3) in subsection (c)—

(A) in the first sentence of paragraph (1), by striking ''or title VI (relating to stratospheric ozone control),'' and inserting ''title VI (relating to stratospheric ozone control), or title VII (relating to global warming pollution emission reductions),''; and

(B) in the first sentence of paragraph (3), by striking ''or VI'' and inserting ''VI, or VII'';

(4) in subsection (d)(1)(B), by striking ''or VI'' and inserting ''VI, or VII''; and

(5) in the first sentence of subsection (f), by striking ''or VI'' and inserting ''VI, or VII''.

(b) ESTABLISHMENT OF STANDARDS.—Section 202 of the Clean Air Act (42 U.S.C. 7521) is amended—

(1) by redesignating the second subsection (f) (as added by section 207(b) of Public Law 101–549 (104 Stat. 2482)) as subsection (n); and

(2) by inserting after subsection (n) (as redesignated by paragraph (1)) the following:

''(o) GLOBAL WARMING POLLUTION EMISSION REDUCTIONS.—

''(1) IN GENERAL.—Not later than January 1, 2010, the Administrator shall promulgate regulations in accordance with subsection (a) and section 707 to require manufacturers of motor vehicles to meet the vehicle emission standards established under subsections (a) and (b) of section 707.

''(2) EFFECTIVE DATE.—The regulations promulgated under paragraph (1) shall take effect with respect to motor vehicles sold by a manufacturer beginning in model year 2016.''.

(c) ADMINISTRATIVE PROCEEDINGS AND JUDICIAL REVIEW.—Section 307 of the Clean Air Act (42 U.S.C. 7607) is amended—

(1) in subsection (b)(1)—

(A) in the first sentence—

(i) by striking ''section 111,,'' and inserting ''section 111,''; and

(ii) by inserting ''any emission standard or requirement issued pursuant to title VII,'' after ''under section 120,''; and

(B) in the second sentence, by striking ''section 112,,'' and inserting ''section 112,''; and

(2) in subsection (d)(1)—

(A) in subparagraph (T), by striking '', and'' at the end;

(B) in subparagraph (U), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(V) the promulgation or revision of any regulation under title VII (relating to global warming pollution).''.

SEC. 5. FEDERAL FLEET FUEL ECONOMY.

Section 32917 of title 49, United States Code, is amended by adding at the end the following:

''(3) NEW VEHICLES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), each passenger vehicle purchased, or leased for a period of at least 60 consecutive days, by an Executive agency after the date of enactment of this paragraph shall be as fuel-efficient as practicable.

''(B) WAIVER.—In an emergency situation, an Executive agency may submit to Congress a written request for a waiver of the requirement under paragraph (1).''.

SEC. 6. INTERNATIONAL NEGOTIATIONS AND TRADE RESTRICTIONS.

It is the sense of the Senate that the United States should act to reduce the health, environmental, economic, and national security risks posed by global climate change, and foster sustained economic growth through a new generation of technologies, by—

(1) participating in negotiations under the United Nations Framework Convention on Climate Change, done at New York May 9, 1992, and leading efforts in other international forums, with the objective of securing participation of the United States in agreements that—

(A) advance and protect the economic and national security interests of the United States;

(B) establish mitigation commitments by all countries that are major emitters of global warming pollution, in accordance with the principle of ''common but differentiated responsibilities'';

(C) establish flexible international mechanisms to minimize the cost of efforts by participating countries; and

(D) achieve a significant long-term reduction in global warming pollution emissions; and

(2) establishing a bipartisan Senate observation group, the members of which should be designated by the Chairman and Ranking Member of the Committee on Foreign Relations of the Senate, and which should include the Chairman and Ranking Member of the Committee on Environment and Public Works of the Senate—

(A) to monitor any international negotiations on climate change; and

(B) to ensure that the advice and consent function of the Senate is exercised in a manner to facilitate timely consideration of any applicable treaty submitted to the Senate.

SEC. 7. REPORT ON TRADE AND INNOVATION EFFECTS.

Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Secretary of Commerce, in consultation with the United States Trade Representative, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Energy, and the Administrator of the Environmental Protection Agency (referred to in this section as the ''Secretary''), shall prepare and submit to Congress a report on the trade, economic, and technology innovation effects of the failure of the United States to adopt measures that require or result in a reduction in total global warming pollution emissions in the United States, in accordance with the goals for the United States under the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992.

SEC. 8. CLIMATE CHANGE IN ENVIRONMENTAL IMPACT STATEMENTS.

In any case in which a Federal agency prepares an environmental impact statement or similar analysis required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Federal agency shall consider and evaluate—

(1) the impact that the Federal action or project necessitating the statement or analysis would have in terms of net changes in global warming pollution emissions; and

(2) the ways in which climate changes may affect the action or project in the short term and the long term.

SEC. 9. CORPORATE ENVIRONMENTAL DISCLOSURE OF CLIMATE CHANGE RISKS.

(a) REGULATIONS.—Not later than 2 years after the date of enactment of this Act, the Securities and Exchange Commission (referred to in this section as the ''Commission'') shall promulgate regulations in accordance with section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) directing each issuer of securities under that Act to inform securities investors of the risks relating to—

(1) the financial exposure of the issuer because of the net global warming pollution emissions of the issuer; and

(2) the potential economic impacts of global warming on the interests of the issuer.

(b) UNIFORM FORMAT FOR DISCLOSURE.—In carrying out subsection (a), the Commission shall enter into an agreement with the Financial Accounting Standards Board, or another appropriate organization that establishes voluntary standards, to develop a uniform format for disclosing to securities investors information on the risks described in subsection (a).

(c) INTERIM INTERPRETIVE RELEASE.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Commission shall issue an interpretive release clarifying that under items 101 and 303 of Regulation S-K of the Commission under part 229 of title 17, Code of Federal Regulations (as in effect on the date of enactment of this Act)—

(A) the commitments of the United States to reduce emissions of global warming pollution under the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992, are considered to be a material effect; and

(B) global warming constitutes a known trend.

(2) PERIOD OF EFFECTIVENESS.—The interpretive release issued under paragraph (1) shall remain in effect until the effective date of the final regulations promulgated under subsection (a).

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 30—EXPRESSING THE SENSE OF THE SENATE REGARDING THE NEED FOR THE UNITED STATES TO ADDRESS GLOBAL CLIMATE CHANGE THROUGH THE NEGOTIATION OF FAIR AND EFFECTIVE INTERNATIONAL COMMITMENTS

Mr. BIDEN (for himself and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 30

Whereas there is a scientific consensus, as established by the Intergovernmental Panel on Climate Change and confirmed by the National Academy of Sciences, that the continued buildup of anthropogenic greenhouse gases in the atmosphere threatens the stability of the global climate;

Whereas there are significant long-term risks to the economy and the environment of the United States from the temperature increases and climatic disruptions that are projected to result from increased greenhouse gas concentrations;

Whereas the potential impacts of global climate change, including long-term drought, famine, mass migration, and abrupt climatic shifts, may lead to international tensions and instability in regions affected