1 TITLE XV—ETHANOL AND 2 MOTOR FUELS

Subtitle A—General provisions

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Subtitle C—Boutique Fuels

Sec. 1531. Reducing the proliferation of boutique fuels.



Subtitle A—General Provisions

2	SECTION 1501. RENEWABLE CONTENT OF GASOLINE.
3	(a) In General.—Section 211 of the Clean Air Act
4	(42 U.S.C. 7545) is amended—
5	(1) by redesignating subsection (o) as sub-
6	section (r); and
7	(2) by inserting after subsection (n) the fol-
8	lowing:
9	"(o) Renewable Fuel Program.—
10	"(1) Definitions.—In this section:
11	"(A) CELLULOSIC BIOMASS ETHANOL.—
12	The term 'cellulosic biomass ethanol' means
13	ethanol derived from any lignocellulosic or
14	hemicellulosic matter that is available on a re-
15	newable or recurring basis, including—
16	"(i) dedicated energy crops and trees;
17	"(ii) wood and wood residues;
18	"(iii) plants;
19	"(iv) grasses;
20	"(v) agricultural residues;
21	"(vi) fibers;
22	"(vii) animal wastes and other waste
23	materials; and

"(viii) municipal solid waste.



24

1	The term also includes any ethanol produced in
2	facilities where animal wastes or other waste
3	materials are digested or otherwise used to dis-
4	place 90 percent or more of the fossil fuel nor-
5	mally used in the production of ethanol.
6	"(B) Waste Derived Ethanol.—The
7	term 'waste derived ethanol' means ethanol de-
8	rived from——
9	"(i) animal wastes, including poultry
10	fats and poultry wastes, and other waste
11	materials; or
12	"(ii) municipal solid waste.
13	"(C) Renewable fuel.—
14	"(i) In general.—The term 'renew-
15	able fuel' means motor vehicle fuel that—
16	"(I)(aa) is produced from grain
17	starch, oilseeds, vegetable, animal, or
18	fish materials including fats, greases
19	and oils, sugarcane, sugar beets
20	sugar components, tobacco, potatoes
21	or other biomass; or
22	"(bb) is natural gas produced
23	from a biogas source, including a
24	landfill sewace waste treatment plant



1	feedlot, or other place where decaying
2	organic material is found; and
3	"(II) is used to replace or reduce
4	the quantity of fossil fuel present in a
5	fuel mixture used to operate a motor
6	vehicle.
7	"(ii) Inclusion.—The term 'renew-
8	able fuel' includes—
9	"(I) cellulosic biomass ethanol
10	and 'waste derived ethanol'; and
11	"(II) biodiesel (as defined in sec-
12	tion 312(f) of the Energy Policy Act
13	of 1992 (42 U.S.C. 13220(f))) and
14	any blending components derived from
15	renewable fuel (provided that only the
16	renewable fuel portion of any such
17	blending component shall be consid-
18	ered part of the applicable volume
19	under the renewable fuel program es-
20	tablished by this subsection).
21	"(D) SMALL REFINERY.—The term 'small
22	refinery' means a refinery for which the average
23	aggregate daily crude oil throughput for a cal-
24	endar year (as determined by dividing the ag-
25	gregate throughput for the calendar year by the



1	number of days in the calendar year) does not
2	exceed 75,000 barrels.
3	"(2) Renewable fuel program.—
4	"(A) REGULATIONS.—
5	"(i) In general.—Not later than 1
6	year after the date of enactment of this
7	paragraph, the Administrator shall promul-
8	gate regulations to ensure that gasoline
9	sold or introduced into commerce in the
10	United States (except in noncontiguous
11	States or territories), on an annual average
12	basis, contains the applicable volume of re-
13	newable fuel determined in accordance with
14	subparagraph (B).
15	"(ii) Noncontiguous state opt-
16	IN.—
17	"(I) In general.—On the peti-
18	tion of a noncontiguous State or terri-
19	tory, the Administrator may allow the
20	renewable fuel program established
21	under this subsection to apply in the
22	noncontiguous State or territory at
23	the same time or any time after the
24	Administrator promulgates regula-
25	tions under this subparagraph.



1	"(II) OTHER ACTIONS.—In car-
2	rying out this clause, the Adminis-
3	trator may—
4	"(aa) issue or revise regula-
5	tions under this paragraph;
6	"(bb) establish applicable
7	percentages under paragraph (3);
8	"(cc) provide for the genera-
9	tion of credits under paragraph
10	(5); and
11	"(dd) take such other ac-
12	tions as are necessary to allow
13	for the application of the renew-
14	able fuels program in a non-
15	contiguous State or territory.
16	"(iii) Provisions of Regula-
17	TIONS.—Regardless of the date of promul-
18	gation, the regulations promulgated under
19	clause (i)—
20	"(I) shall contain compliance pro-
21	visions applicable to refineries, blend-
22	ers, distributors, and importers, as
23	appropriate, to ensure that the re-
24	quirements of this paragraph are met;
25	but



6.8

1	"(II) shall not—
2	"(aa) restrict geographic
3	areas in which renewable fue
4	may be used; or
5	"(bb) impose any per-gallor
6	obligation for the use of renew
7	able fuel.
8	"(iv) Requirement in case of
9	FAILURE TO PROMULGATE REGULA
10	TIONS.—If the Administrator does not pro
11	mulgate regulations under clause (i), the
12	percentage of renewable fuel in gasoline
13	sold or dispensed to consumers in the
14	United States, on a volume basis, shall be
15	2.78 percent for calendar year 2006.
16	"(B) Applicable volume.—
17	"(i) Calendar years 2006 through
18	2012.—For the purpose of subparagraph
19	(A), the applicable volume for any of cal
20	endar years 2006 through 2012 shall be
21	determined in accordance with the fol
22	lowing table:
	Applicable volume o renewable fue
	"Calendar year: (in billions of gallons)
	2006
	2007
	2009



Applicable volume of

renewable fuel ""Calendar year: (in billions of gallons): 2011 7.5. 2012 "(ii) 1 CALENDAR YEAR 2013 AND 2 THEREAFTER.—Subject to clauses (iii) and 3 (iv), for the purposes of subparagraph (A), 4 the applicable volume for calendar year 2013 and each calendar year thereafter 5 6 shall be determined by the Administrator, 7 in coordination with the Secretary of Agriculture and the Secretary of Energy, based 8 9 on a review of the implementation of the 10 during calendar years 2006 program 11 through 2012, including a review of— 12 "(I) the impact of the use of re-13 newable fuels on the environment, air 14 quality, energy security, job creation, 15 and rural economic development; and 16 "(II) the expected annual rate of 17 future production of renewable fuels, 18 including cellulosic ethanol. 19 "(iii) Minimum quantity derived 20 FROM CELLULOSIC BIOMASS.—For 21 endar year 2013 and each calendar year 22 thereafter—



1	"(I) the applicable volume re-
2	ferred to in clause (ii) shall contain a
3	minimum of 250,000,000 gallons that
4	are derived from cellulosic biomass;
5	and
6	"(II) the 2.5-to-1 ratio referred
7	to in paragraph (4) shall not apply.
8	"(iv) MINIMUM APPLICABLE VOL-
9	UME.—For the purpose of subparagraph
10	(A), the applicable volume for calendar
11	year 2013 and each calendar year there-
12	after shall be equal to the product obtained
13	by multiplying—
14	"(I) the number of gallons of
15	gasoline that the Administrator esti-
16	mates will be sold or introduced into
17	commerce in the calendar year; and
18	"(II) the ratio that—
19	"(aa) 7,500,000,000 gallons
20	of renewable fuel; bears to
21	"(bb) the number of gallons
22	of gasoline sold or introduced
23	into commerce in calendar year
24	2012.]
25	"(3) Applicable percentages.—



1	"(A) Provision of estimate of vol-
2	UMES OF GASOLINE SALES.—Not later than Oc-
3	tober 31 of each of calendar years 2005
4	through 2011, the Administrator of the Energy
5	Information Administration shall provide to the
6	Administrator of the Environmental Protection
7	Agency an estimate, with respect to the fol-
8	lowing calendar year, of the volumes of gasoline
9	projected to be sold or introduced into com-
10	merce in the United States.
11	"(B) Determination of applicable
12	PERCENTAGES.—
13	"(i) In general.—Not later than
14	November 30 of each of calendar years
15	2005 through 2012, based on the estimate
16	provided under subparagraph (A), the Ad-
17	ministrator of the Environmental Protec-
18	tion Agency shall determine and publish in
19	the Federal Register, with respect to the
20	following calendar year, the renewable fuel
21	obligation that ensures that the require-
22	ments of paragraph (2) are met.
23	"(ii) Required elements.—The re-
24	newable fuel obligation determined for a
25	calendar year under clause (i) shall—



1	"(I) be applicable to refineries,
2	blenders, and importers, as appro-
3	priate;
4	"(II) be expressed in terms of a
5	volume percentage of gasoline sold or
6	introduced into commerce in the
7	United States; and
8	"(III) subject to subparagraph
9	(C)(i), consist of a single applicable
10	percentage that applies to all cat-
11	egories of persons specified in sub-
12	clause (I).
13	"(C) Adjustments.—In determining the
14	applicable percentage for a calendar year, the
15	Administrator shall make adjustments—
16	"(i) to prevent the imposition of re-
17	dundant obligations on any person speci-
18	fied in subparagraph (B)(ii)(I); and
19	"(ii) to account for the use of renew-
20	able fuel during the previous calendar year
21	by small refineries that are exempt under
22	paragraph (9).
23	"(4) CELLULOSIC BIOMASS ETHANOL OR WASTE
24	DERIVED ETHANOL.—For the purpose of paragraph
25	(2) 1 callon of cellulosic biomass ethanol or waste



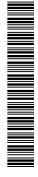
1	derived ethanol shall be considered to be the equiva-
2	lent of 2.5 gallons of renewable fuel.
3	"(5) Credit Program.—
4	"(A) In general.—The regulations pro-
5	mulgated under paragraph (2)(A) shall
6	provide—
7	"(i) for the generation of an appro-
8	priate amount of credits by any person
9	that refines, blends, or imports gasoline
10	that contains a quantity of renewable fuel
11	that is greater than the quantity required
12	under paragraph (2);
13	"(ii) for the generation of an appro-
14	priate amount of credits for biodiesel; and
15	"(iii) for the generation of credits by
16	small refineries in accordance with para-
17	graph (9)(C).
18	"(B) USE OF CREDITS.—A person that
19	generates credits under subparagraph (A) may
20	use the credits, or transfer all or a portion of
21	the credits to another person, for the purpose
22	of complying with paragraph (2).
23	"(C) Duration of credits.—A credit
24	generated under this paragraph shall be valid to



1	show compliance for the [24] months as of the
2	date of generation.
3	"(D) Inability to generate or pur-
4	CHASE SUFFICIENT CREDITS.—The regulations
5	promulgated under paragraph (2)(A) shall in-
6	clude provisions allowing any person that is un-
7	able to generate or purchase sufficient credits
8	to meet the requirements of paragraph (2) to
9	carry forward a renewable fuel deficit on condi-
10	tion that the person, in the calendar year fol-
11	lowing the year in which the renewable fuel def-
12	icit is created—
13	"(i) achieves compliance with the re-
14	newable fuel requirement under paragraph
15	(2); and
16	"(ii) generates or purchases additional
17	renewable fuel credits to offset the renew-
18	able fuel deficit of the previous year.
19	"(6) Seasonal variations in renewable
20	FUEL USE.—
21	"(A) Study.—For each of calendar years
22	2006 through 2012, the Administrator of the
23	Energy Information Administration shall con-
24	duct a study of renewable fuel blending to de-



1	termine whether there are excessive seasonal
2	variations in the use of renewable fuel.
3	"(B) REGULATION OF EXCESSIVE SEA-
4	SONAL VARIATIONS.—If, for any calendar year,
5	the Administrator of the Energy Information
6	Administration, based on the study under sub-
7	paragraph (A), makes the determinations speci-
8	fied in subparagraph (C), the Administrator of
9	the Environmental Protection Agency shall pro-
10	mulgate regulations to ensure that 25 percent
11	or more of the quantity of renewable fuel nec-
12	essary to meet the requirements of paragraph
13	(2) is used during each of the 2 periods speci-
14	fied in subparagraph (D) of each subsequent
15	calendar year.
16	"(C) Determinations.—The determina-
17	tions referred to in subparagraph (B) are
18	that—
19	"(i) less than 25 percent of the quan-
20	tity of renewable fuel necessary to meet the
21	requirements of paragraph (2) has been
22	used during 1 of the 2 periods specified in
23	subparagraph (D) of the calendar year;



1	"(ii) a pattern of excessive seasonal
2	variation described in clause (i) will con-
3	tinue in subsequent calendar years; and
4	"(iii) promulgating regulations or
5	other requirements to impose a 25 percent
6	or more seasonal use of renewable fuels
7	will not prevent or interfere with the at-
8	tainment of national ambient air quality
9	standards or significantly increase the
10	price of motor fuels to the consumer.
11	"(D) Periods.—The 2 periods referred to
12	in this paragraph are—
13	"(i) April through September; and
14	"(ii) January through March and Oc-
15	tober through December.
16	"(E) Exclusion.—Renewable fuel blended
17	or consumed in calendar year 2006 in a State
18	that has received a waiver under section 209(b)
19	shall not be included in the study under sub-
20	paragraph (A).
21	"(F) STATE EXEMPTION FROM
22	SEASONALITY REQUIREMENTS.—Notwith-
23	standing any other provision of law, the
24	seasonality requirement relating to renewable
25	fuel use established by this paragraph shall not



1	apply to any State that has received a waiver
2	under section 209(b) or any State dependent on
3	refineries in such State for gasoline supplies.
4	"(7) Waivers.—
5	"(A) IN GENERAL.—The Administrator, in
6	consultation with the Secretary of Agriculture
7	and the Secretary of Energy, may waive the re-
8	quirements of paragraph (2) in whole or in part
9	on petition by 1 or more States by reducing the
10	national quantity of renewable fuel required
11	under paragraph (2)—
12	"(i) based on a determination by the
13	Administrator, after public notice and op-
14	portunity for comment, that implementa-
15	tion of the requirement would severely
16	harm the economy or environment of a
17	State, a region, or the United States; or
18	"(ii) based on a determination by the
19	Administrator, after public notice and op-
20	portunity for comment, that there is an in-
21	adequate domestic supply.
22	"(B) Petitions for Waivers.—The Ad-
23	ministrator, in consultation with the Secretary
24	of Agriculture and the Secretary of Energy,
25	shall approve or disapprove a State petition for

shall approve or disapprove a State petition for



1	a waiver of the requirements of paragraph (2)
2	within 90 days after the date on which the peti-
3	tion is received by the Administrator.
4	"(C) TERMINATION OF WAIVERS.—A waiv-
5	er granted under subparagraph (A) shall termi-
6	nate after 1 year, but may be renewed by the
7	Administrator after consultation with the Sec-
8	retary of Agriculture and the Secretary of En-
9	ergy.
10	"(8) STUDY AND WAIVER FOR INITIAL YEAR OF
11	PROGRAM.—
12	"(A) In General.—Not later than 180
13	days after the date of enactment of this para-
14	graph, the Secretary of Energy shall conduct
15	for the Administrator a study assessing whether
16	the renewable fuel requirement under para-
17	graph (2) will likely result in significant adverse
18	impacts on consumers in 2006, on a national,
19	regional, or State basis.
20	"(B) REQUIRED EVALUATIONS.—The
21	study shall evaluate renewable fuel—
22	"(i) supplies and prices;
23	"(ii) blendstock supplies; and
24	"(iii) supply and distribution system
25	capabilities.



1	"(C) RECOMMENDATIONS BY THE SEC-
2	RETARY.—Based on the results of the study,
3	the Secretary of Energy shall make specific rec-
4	ommendations to the Administrator concerning
5	waiver of the requirements of paragraph (2), in
6	whole or in part, to prevent any adverse im-
7	pacts described in subparagraph (A).
8	"(D) Waiver.—
9	"(i) In general.—Not later than
10	270 days after the date of enactment of
11	this paragraph, the Administrator shall, if
12	and to the extent recommended by the Sec-
13	retary of Energy under subparagraph (C),
14	waive, in whole or in part, the renewable
15	fuel requirement under paragraph (2) by
16	reducing the national quantity of renew-
17	able fuel required under paragraph (2) in
18	calendar year 2006.
19	"(ii) No effect on waiver author-
20	ITY.—Clause (i) does not limit the author-
21	ity of the Administrator to waive the re-
22	quirements of paragraph (2) in whole, or
23	in part, under paragraph (7).
24	"(9) Small refineries.—
25	"(A) TEMPORARY EXEMPTION —



1	"(i) In general.—The requirements
2	of paragraph (2) shall not apply to small
3	refineries until calendar year 2011.
4	"(ii) Extension of exemption.—
5	"(I) Study by secretary of
6	ENERGY.—Not later than December
7	31, 2008, the Secretary of Energy
8	shall conduct for the Administrator a
9	study to determine whether compli-
10	ance with the requirements of para-
11	graph (2) would impose a dispropor-
12	tionate economic hardship on small
13	refineries.
14	"(II) Extension of exemp-
15	TION.—In the case of a small refinery
16	that the Secretary of Energy deter-
17	mines under subclause (I) would be
18	subject to a disproportionate economic
19	hardship if required to comply with
20	paragraph (2), the Administrator
21	shall extend the exemption under
22	clause (i) for the small refinery for a
23	period of not less than 2 additional
24	years.

years.



1	"(B) Petitions based on dispropor-
2	TIONATE ECONOMIC HARDSHIP.—
3	"(i) Extension of exemption.—A
4	small refinery may at any time petition the
5	Administrator for an extension of the ex-
6	emption under subparagraph (A) for the
7	reason of disproportionate economic hard-
8	ship.
9	"(ii) Evaluation of petitions.—In
10	evaluating a petition under clause (i), the
11	Administrator, in consultation with the
12	Secretary of Energy, shall consider the
13	findings of the study under subparagraph
14	(A)(ii) and other economic factors.
15	"(iii) Deadline for action on pe-
16	TITIONS.—The Administrator shall act on
17	any petition submitted by a small refinery
18	for a hardship exemption not later than 90
19	days after the date of receipt of the peti-
20	tion.
21	"(C) Credit program.—If a small refin-
22	ery notifies the Administrator that the small re-
23	finery waives the exemption under subpara-
24	graph (A), the regulations promulgated under
25	paragraph (2)(A) shall provide for the genera-



1	tion of credits by the small refinery under para-
2	graph (5) beginning in the calendar year fol-
3	lowing the date of notification.
4	"(D) Opt-in for small refineries.—A
5	small refinery shall be subject to the require-
6	ments of paragraph (2) if the small refinery no-
7	tifies the Administrator that the small refinery
8	waives the exemption under subparagraph (A).
9	"(10) ETHANOL MARKET CONCENTRATION
10	ANALYSIS.—
11	"(A) Analysis.—
12	"(i) In general.—Not later than
13	180 days after the date of enactment of
14	this paragraph, and annually thereafter,
15	the Federal Trade Commission shall per-
16	form a market concentration analysis of
17	the ethanol production industry using the
18	Herfindahl-Hirschman Index to determine
19	whether there is sufficient competition
20	among industry participants to avoid price-
21	setting and other anticompetitive behavior.
22	"(ii) Scoring.—For the purpose of
23	scoring under clause (i) using the
24	Herfindahl-Hirschman Index, all mar-



1	keting arrangements among industry par-
2	ticipants shall be considered.
3	"(B) Report.—Not later than December
4	1, 2005, and annually thereafter, the Federal
5	Trade Commission shall submit to Congress
6	and the Administrator a report on the results
7	of the market concentration analysis performed
8	under subparagraph (A)(i).".
9	(b) Penalties and Enforcement.—Section
10	211(d) of the Clean Air Act (42 U.S.C. 7545(d)) is
11	amended—
12	(1) in paragraph (1)—
13	(A) in the first sentence, by striking "or
14	(n)" each place it appears and inserting "(n),
15	or (o)"; and
16	(B) in the second sentence, by striking "or
17	(m)" and inserting "(m), or (o)"; and
18	(2) in the first sentence of paragraph (2), by
19	striking "and (n)" each place it appears and insert-
20	ing "(n), and (o)".
21	(c) Exclusion From Ethanol Waiver.—Section
22	211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is
23	amended—
24	(1) by redesignating paragraph (5) as para-
25	graph (6); and



1	(2) by inserting after paragraph (4) the fol-
2	lowing:
3	"(5) Exclusion from ethanol waiver.—
4	"(A) Promulgation of regulations.—
5	Upon notification, accompanied by supporting
6	documentation, from the Governor of a State
7	that the Reid vapor pressure limitation estab-
8	lished by paragraph (4) will increase emissions
9	that contribute to air pollution in any area in
10	the State, the Administrator shall, by regula-
11	tion, apply, in lieu of the Reid vapor pressure
12	limitation established by paragraph (4), the
13	Reid vapor pressure limitation established by
14	paragraph (1) to all fuel blends containing gas-
15	oline and 10 percent denatured anhydrous eth-
16	anol that are sold, offered for sale, dispensed,
17	supplied, offered for supply, transported, or in-
18	troduced into commerce in the area during the
19	high ozone season.
20	"(B) DEADLINE FOR PROMULGATION.—
21	The Administrator shall promulgate regulations
22	under subparagraph (A) not later than 90 days
23	after the date of receipt of a notification from
24	a Governor under that subparagraph.
25	"(C) Effective date.—



1	"(i) IN GENERAL.—With respect to an
2	area in a State for which the Governor
3	submits a notification under subparagraph
4	(A), the regulations under that subpara-
5	graph shall take effect on the later of—
6	"(I) the first day of the first high
7	ozone season for the area that begins
8	after the date of receipt of the notifi-
9	cation; or
10	"(II) 1 year after the date of re-
11	ceipt of the notification.
12	"(ii) Extension of effective date
13	BASED ON DETERMINATION OF INSUFFI-
14	CIENT SUPPLY.—
15	"(I) In general.—If, after re-
16	ceipt of a notification with respect to
17	an area from a Governor of a State
18	under subparagraph (A), the Adminis-
19	trator determines, on the Administra-
20	tor's own motion or on petition of any
21	person and after consultation with the
22	Secretary of Energy, that the promul-
23	gation of regulations described in sub-
24	paragraph (A) would result in an in-

sufficient supply of gasoline in the



25

1	State, the Administrator, by
2	regulation—
3	"(aa) shall extend the effec-
4	tive date of the regulations under
5	clause (i) with respect to the area
6	for not more than 1 year; and
7	"(bb) may renew the exten-
8	sion under item (aa) for 2 addi-
9	tional periods, each of which
10	shall not exceed 1 year.
11	"(II) DEADLINE FOR ACTION ON
12	PETITIONS.—The Administrator shall
13	act on any petition submitted under
14	subclause (I) not later than 180 days
15	after the date of receipt of the peti-
16	tion.".
17	(d) Survey of Renewable Fuel Market.—
18	(1) Survey and report.—Not later than De-
19	cember 1, 2006, and annually thereafter, the Admin-
20	istrator of the Environmental Protection Agency (in
21	consultation with the Secretary of Energy acting
22	through the Administrator of the Energy Informa-
23	tion Administration) shall—
24	(A) conduct, with respect to each conven-
25	tional gasoline use area and each reformulated



1	gasoline use area in each State, a survey to de-
2	termine the market shares of—
3	(i) conventional gasoline containing
4	ethanol;
5	(ii) reformulated gasoline containing
6	ethanol;
7	(iii) conventional gasoline containing
8	renewable fuel; and
9	(iv) reformulated gasoline containing
10	renewable fuel; and
11	(B) submit to Congress, and make publicly
12	available, a report on the results of the survey
13	under subparagraph (A).
14	(2) RECORDKEEPING AND REPORTING RE-
15	QUIREMENTS.—The Administrator of the Environ-
16	mental Protection Agency (hereinafter in this sub-
17	section referred to as the "Administrator") may re-
18	quire any refiner, blender, or importer to keep such
19	records and make such reports as are necessary to
20	ensure that the survey conducted under paragraph
21	(1) is accurate. The Administrator, to avoid duplica-
22	tive requirements, shall rely, to the extent prac-
23	ticable, on existing reporting and recordkeeping re-
24	quirements and other information available to the



1	Administrator including gasoline distribution pat-
2	terns that include multistate use areas.
3	(3) Applicable law.—Activities carried out
4	under this subsection shall be conducted in a man-
5	ner designed to protect confidentiality of individual
6	responses.
7	SEC. 1502. [FINDINGS].
8	SEC. 1503. [AUTHORITY FOR WATER QUALITY PROTECTION
9	FROM FUELS].
10	[Section 211(e) of the Clean Air Act (42 U.S.C.
11	7545(c)) is amended—
12	(1) in paragraph $(1)(A)$ —
13	(A) by inserting "fuel or fuel additive or"
14	after "Administrator any"; and
15	(B) by striking "air pollution which" and
16	inserting "air pollution, or water pollution,
17	that";and
18	(2) in paragraph (4)(B), by inserting "or water
19	quality protection," after "emission control,".]
20	SEC. 1504. CLAIMS FILED AFTER ENACTMENT.
21	Claims and legal actions filed after the date of enact-
22	ment of this Act related to allegations involving actual or
23	threatened contamination of methyl tertiary butyl ether
24	(MTBE) may be removed to Federal district court.



1	SEC. 1505. ELIMINATION OF OXYGEN CONTENT REQUIRE-
2	MENT FOR REFORMULATED GASOLINE.
3	(a) Elimination.—
4	(1) In General.—Section 211(k) of the Clean
5	Air Act (42 U.S.C. 7545(k)) is amended—
6	(A) in paragraph (2)—
7	(i) in the second sentence of subpara-
8	graph (A), by striking "(including the oxy-
9	gen content requirement contained in sub-
10	paragraph (B))";
11	(ii) by striking subparagraph (B); and
12	(iii) by redesignating subparagraphs
13	(C) and (D) as subparagraphs (B) and
14	(C), respectively;
15	(B) in paragraph (3)(A), by striking clause
16	(v); and
17	(C) in paragraph (7)—
18	(i) in subparagraph (A)—
19	(I) by striking clause (i); and
20	(II) by redesignating clauses (ii)
21	and (iii) as clauses (i) and (ii), respec-
22	tively; and
23	(ii) in subparagraph (C)—
24	(I) by striking clause (ii); and
25	(II) by redesignating clause (iii)
26	as clause (ii).



1	(2) Applicability.—The amendments made
2	by paragraph (1) apply—
3	(A) in the case of a State that has received
4	a waiver under section 209(b) of the Clean Air
5	Act (42 U.S.C. 7543(b)), beginning on the date
6	of enactment of this Act; and
7	(B) in the case of any other State, begin-
8	ning 270 days after the date of enactment of
9	this Act.
10	(b) Maintenance of Toxic Air Pollutant Emis-
11	SION REDUCTIONS.—Section 211(k)(1) of the Clean Air
12	Act (42 U.S.C. 7545(k)(1)) is amended—
13	(1) by striking "Within 1 year after the enact-
14	ment of the Clean Air Act Amendments of 1990,"
15	and inserting the following:
16	"(A) IN GENERAL.—Not later than No-
17	vember 15, 1991,"; and
18	(2) by adding at the end the following:
19	"(B) Maintenance of Toxic air Pol-
20	LUTANT EMISSIONS REDUCTIONS FROM REFOR-
21	MULATED GASOLINE.—
22	"(i) Definition of Padd.—In this
23	subparagraph the term 'PADD' means a
24	Petroleum Administration for Defense Dis-
25	trict.



1	"(ii) Regulations concerning
2	EMISSIONS OF TOXIC AIR POLLUTANTS.—
3	Not later than 270 days after the date of
4	enactment of this subparagraph, the Ad-
5	ministrator shall establish by regulation,
6	for each refinery or importer (other than a
7	refiner or importer in a State that has re-
8	ceived a waiver under section 209(b) with
9	respect to gasoline produced for use in that
10	State), standards for toxic air pollutants
11	from use of the reformulated gasoline pro-
12	duced or distributed by the refiner or im-
13	porter that maintain the reduction of the
14	average annual aggregate emissions of
15	toxic air pollutants for reformulated gaso-
16	line produced or distributed by the refiner
17	or importer during calendar years 2001
18	and 2002 (as determined on the basis of
19	data collected by the Administrator with
20	respect to the refiner or importer).
21	"(iii) Standards applicable to
22	SPECIFIC REFINERIES OR IMPORTERS.—
23	"(I) Applicability of stand-
24	ARDS.—For any calendar year, the
25	standards applicable to a refiner or



1	importer under clause (ii) shall apply
2	to the quantity of gasoline produced
3	or distributed by the refiner or im-
4	porter in the calendar year only to the
5	extent that the quantity is less than
6	or equal to the average annual quan-
7	tity of reformulated gasoline produced
8	or distributed by the refiner or im-
9	porter during calendar years 2001
10	and 2002.
11	"(II) Applicability of other
12	STANDARDS.—For any calendar year,
13	the quantity of gasoline produced or
14	distributed by a refiner or importer
15	that is in excess of the quantity sub-
16	ject to subclause (I) shall be subject
17	to standards for emissions of toxic air
18	pollutants promulgated under sub-
19	paragraph (A) and paragraph (3)(B).
20	"(iv) Credit Program.—The Admin-
21	istrator shall provide for the granting and
22	use of credits for emissions of toxic air pol-
23	lutants in the same manner as provided in
24	paragraph (7).



1	"(v) REGIONAL PROTECTION OF
2	TOXICS REDUCTION BASELINES.—
3	"(I) In General.—Not later
4	than 60 days after the date of enact-
5	ment of this subparagraph, and not
6	later than April 1 of each calendar
7	year that begins after that date of en-
8	actment, the Administrator shall pub-
9	lish in the Federal Register a report
10	that specifies, with respect to the pre-
11	vious calendar year—
12	"(aa) the quantity of refor-
13	mulated gasoline produced that is
14	in excess of the average annual
15	quantity of reformulated gasoline
16	produced in 2001 and 2002; and
17	"(bb) the reduction of the
18	average annual aggregate emis-
19	sions of toxic air pollutants in
20	each PADD, based on retail sur-
21	vey data or data from other ap-
22	propriate sources.
23	"(II) EFFECT OF FAILURE TO
24	MAINTAIN AGGREGATE TOXICS RE-
25	DUCTIONS.—If, in any calendar year,



1 the reduction of the average	e annual
2 aggregate emissions of toxic	air pol-
3 lutants in a PADD fails to	meet or
4 exceed the reduction of the	average
5 annual aggregate emissions	of toxic
6 air pollutants in the PADD	in cal-
7 endar years 2001 and 2002,	the Ad-
8 ministrator, not later than	90 days
9 after the date of publication o	of the re-
port for the calendar year un	der sub-
11 clause (I), shall—	
12 "(aa) identify, to t	he max-
imum extent practicable,	the rea-
sons for the failure, inclu	iding the
sources, volumes, and ch	naracter-
16 istics of reformulated	gasoline
that contributed to the	failure;
18 and	
19 "(bb) promulgate	revisions
to the regulations pror	nulgated
21 under clause (ii), to tak	xe effect
not earlier than 180 days	s but not
later than 270 days a	fter the
24 date of promulgation, to	provide
25 that, notwithstanding	clause



(iii)(II), all reformulated gas	oline
produced or distributed at	each
refiner or importer shall mee	t the
standards applicable under cl	lause
(iii)(I) beginning not later	than
April 1 of the calendar year	· fol-
lowing publication of the re	eport
under subclause (I) and in	each
calendar year thereafter.	
"(vi) Not later than July 1, 2007	, the
Administrator shall promulgate final a	egu-
lations to control hazardous air pollut	tants
from motor vehicles and motor ve	hicle
fuels, as provided for in section 80.104	45 of
title 40, Code of Federal Regulations	s (as
in effect on the date of enactment of	this
subparagraph), and as authorized u	nder
section 202(1) of the Clean Air Act. I	f the
Administrator promulgates by such	date,
final regulations to control hazardous	s air
pollutants from motor vehicles and n	notor
vehicle fuels that achieve and main	ntain
greater overall reductions in emission	ns of
air toxics from reformulated gasoline	than

the reductions that would be achieved



25

1	under section 211(k)(1)(B) of the Clean
2	Air Act as amended by this clause, then
3	sections $21l(k)(1)(B)(i)$ through
4	211(k)(1)(B)(v) shall be null and void and
5	regulations promulgated thereunder shall
6	be rescinded and have no further effect.".
7	(c) Consolidation in Reformulated Gasoline
8	REGULATIONS.—Not later than 180 days after the date
9	of enactment of this Act, the Administrator of the Envi-
10	ronmental Protection Agency shall revise the reformulated
11	gasoline regulations under subpart D of part 80 of title
12	40, Code of Federal Regulations, to consolidate the regula-
13	tions applicable to VOC-Control Regions 1 and 2 under
14	section 80.41 of that title by eliminating the less stringent
15	requirements applicable to gasoline designated for VOC-
16	Control Region 2 and instead applying the more stringent
17	requirements applicable to gasoline designated for VOC-
18	Control Region 1.
19	(d) Savings Clause.—
20	(1) In general.—Nothing in this section or
21	any amendment made by this section affects or prej-
22	udices any legal claim or action with respect to regu-
23	lations promulgated by the Administrator before the
24	date of enactment of this Act regarding—



1	(A) emissions of toxic air pollutants from
2	motor vehicles; or
3	(B) the adjustment of standards applicable
4	to a specific refinery or importer made under
5	those regulations.
6	(2) Adjustment of standards.—
7	(A) APPLICABILITY.—The Administrator
8	may apply any adjustments to the standards
9	applicable to a refinery or importer under sub-
10	paragraph (B)(iii)(I) of section 211(k)(1) of the
11	Clean Air Act (as added by subsection (b)(2)),
12	except that—
13	(i) the Administrator shall revise the
14	adjustments to be based only on calendar
15	years 1999 and 2000;
16	(ii) any such adjustment shall not be
17	made at a level below the average percent-
18	age of reductions of emissions of toxic air
19	pollutants for reformulated gasoline sup-
20	plied to PADD I during calendar years
21	1999 and 2000; and
22	(iii) in the case of an adjustment
23	based on toxic air pollutant emissions from
24	reformulated gasoline significantly below
25	the national annual average emissions of



1	toxic air pollutants from all reformulated
2	gasoline—
3	(I) the Administrator may revise
4	the adjustment to take account of the
5	scope of the prohibition on methyl ter-
6	tiary butyl ether imposed by para-
7	graph (5) of section 211(c) of the
8	Clean Air Act (as added by section
9	211(c)); and
10	(II) any such adjustment shall
11	require the refiner or importer, to the
12	maximum extent practicable, to main-
13	tain the reduction achieved during cal-
14	endar years 1999 and 2000 in the av-
15	erage annual aggregate emissions of
16	toxic air pollutants from reformulated
17	gasoline produced or distributed by
18	the refiner or importer.
19	SEC. 1506. PUBLIC HEALTH AND ENVIRONMENTAL IM-
20	PACTS OF FUELS AND FUEL ADDITIVES.
21	Section 211(b) of the Clean Air Act (42 U.S.C.
22	7545(b)) is amended—
23	(1) in paragraph (2)—
24	(A) by striking "may also" and inserting
25	"shall, on a regular basis,"; and



1	(B) by striking subparagraph (A) and in-
2	serting the following:
3	"(A) to conduct tests to determine poten-
4	tial public health and environmental effects of
5	the fuel or additive (including carcinogenic,
6	teratogenic, or mutagenic effects); and"; and
7	(2) by adding at the end the following:
8	"(4) Study on certain fuel additives and
9	BLENDSTOCKS.—
10	"(A) In general.—Not later than 2 years
11	after the date of enactment of this paragraph,
12	the Administrator shall—
13	"(i) conduct a study on the effects on
14	public health (including the effects on chil-
15	dren, pregnant women, minority or low-in-
16	come communities, and other sensitive pop-
17	ulations), air quality, and water resources
18	of increased use of, and the feasibility of
19	using as substitutes for methyl tertiary
20	butyl ether in gasoline—
21	"(I) ethyl tertiary butyl ether;
22	"(II) tertiary amyl methyl ether;
23	"(III) di-isopropyl ether;
24	"(IV) tertiary butyl alcohol;



1	"(V) other ethers and heavy alco-
2	hols, as determined by then Adminis-
3	trator;
4	"(VI) ethanol;
5	"(VII) iso-octane; and
6	"(VIII) alkylates; and
7	"(ii) conduct a study on the effects on
8	public health (including the effects on chil-
9	dren, pregnant women, minority or low-in-
10	come communities, and other sensitive pop-
11	ulations), air quality, and water resources
12	of the adjustment for ethanol-blended re-
13	formulated gasoline to the volatile organic
14	compounds performance requirements that
15	are applicable under paragraphs (1) and
16	(3) of section 211(k); and
17	"(iii) submit to the Committee on En-
18	vironment and Public Works of the Senate
19	and the Committee on Energy and Com-
20	merce of the House of Representatives a
21	report describing the results of the studies
22	under clauses (i) and (ii).
23	"(B) Contracts for study.—In car-
24	rying out this paragraph, the Administrator



1	may enter into 1 or more contracts with non-
2	governmental entities such as—
3	"(i) the national energy laboratories;
4	and
5	"(ii) institutions of higher education
6	(as defined in section 101 of the Higher
7	Education Act of 1965 (20 U.S.C.
8	1001)).".
9	SEC. 1507. ANALYSES OF MOTOR VEHICLE FUEL CHANGES.
10	Section 211 of the Clean Air Act (42 U.S.C. 7545)
11	(as amended by section 205(a)) is amended by inserting
12	after subsection (p) the following:
13	"(q) Analyses of Motor Vehicle Fuel Changes
14	AND EMISSIONS MODEL.—
15	"(1) Anti-backsliding analysis.—
16	"(A) Draft analysis.—Not later than 4
17	years after the date of enactment of this para-
18	graph, the Administrator shall publish for pub-
19	lic comment a draft analysis of the changes in
20	emissions of air pollutants and air quality due
21	to the use of motor vehicle fuel and fuel addi-
22	tives resulting from implementation of the
23	amendments made by the Federal Reformulated
24	Fuels Act of 2005.



1	"(B) Final analysis.—After providing a
2	reasonable opportunity for comment but not
3	later than 5 years after the date of enactment
4	of this paragraph, the Administrator shall pub-
5	lish the analysis in final form.
6	"(2) Emissions model.—For the purposes of
7	this section, not later than 4 years after the date of
8	enactment of this paragraph, the Administrator shall
9	develop and finalize an emissions model that reflects,
10	to the maximum extent practicable, the effects of
11	gasoline characteristics or components on emissions
12	from vehicles in the motor vehicle fleet during cal-
13	endar year 2007.
14	"(3) Permeation effects study.—
15	"(A) IN GENERAL.—Not later than 1 year
16	after the date of enactment of this paragraph,
17	the Administrator shall conduct a study, and
18	report to Congress the results of the study, on
19	the effects of ethanol content in gasoline on
20	permeation, the process by which fuel molecules
21	migrate through the elastomeric materials (rub-
22	ber and plastic parts) that make up the fuel
23	and fuel vapor systems of a motor vehicle.
24	"(B) EVAPORATIVE EMISSIONS.—The
25	study shall include estimates of the increase in



1	total evaporative emissions likely to result from
2	the use of gasoline with ethanol content in a
3	motor vehicle, and the fleet of motor vehicles,
4	due to permeation.".
5	SEC. 1508. ADDITIONAL OPT-IN AREAS UNDER REFORMU-
6	LATED GASOLINE PROGRAM.
7	Section 211(k)(6) of the Clean Air Act (42 U.S.C.
8	7545(k)(6)) is amended—
9	(1) by striking "(6) Opt-in Areas.—(A)
10	Upon" and inserting the following:
11	"(6) Opt-in areas.—
12	"(A) Classified areas.—
13	"(i) In General.—Upon";
14	(2) in subparagraph (B), by striking "(B) If"
15	and inserting the following:
16	"(ii) Effect of insufficient do-
17	MESTIC CAPACITY TO PRODUCE REFORMU-
18	LATED GASOLINE.—If";
19	(3) in subparagraph (A)(ii) (as redesignated by
20	paragraph (2))—
21	(A) in the first sentence, by striking "sub-
22	paragraph (A)" and inserting "clause (i)"; and
23	(B) in the second sentence, by striking
24	"this paragraph" and inserting "this subpara-
25	graph"; and



1	(4) by adding at the end the following:
2	"(B) Ozone transport region.—
3	"(i) Application of prohibition.—
4	"(I) In General.—On applica-
5	tion of the Governor of a State in the
6	ozone transport region established by
7	section 184(a), the Administrator, not
8	later than 180 days after the date of
9	receipt of the application, shall apply
10	the prohibition specified in paragraph
11	(5) to any area in the State (other
12	than an area classified as a marginal,
13	moderate, serious, or severe ozone
14	nonattainment area under subpart 2
15	of part D of title I) unless the Admin-
16	istrator determines under clause (iii)
17	that there is insufficient capacity to
18	supply reformulated gasoline.
19	"(II) Publication of Applica-
20	TION.—As soon as practicable after
21	the date of receipt of an application
22	under subclause (I), the Adminis-
23	trator shall publish the application in
24	the Federal Register.



1	"(ii) Period of applicability.—
2	Under clause (i), the prohibition specified
3	in paragraph (5) shall apply in a State—
4	"(I) commencing as soon as prac-
5	ticable but not later than 2 years
6	after the date of approval by the Ad-
7	ministrator of the application of the
8	Governor of the State; and
9	"(II) ending not earlier than 4
10	years after the commencement date
11	determined under subclause (I).
12	"(iii) Extension of commencement
13	DATE BASED ON INSUFFICIENT CAPAC-
14	ITY.—
15	"(I) IN GENERAL.—If, after re-
16	ceipt of an application from a Gov-
17	ernor of a State under clause (i), the
18	Administrator determines, on the Ad-
19	ministrator's own motion or on peti-
20	tion of any person, after consultation
21	with the Secretary of Energy, that
22	there is insufficient capacity to supply
23	reformulated gasoline, the Adminis-
24	trator, by regulation—



1	"(aa) shall extend the com-
2	mencement date with respect to
3	the State under clause (ii)(I) for
4	not more than 1 year; and
5	"(bb) may renew the exten-
6	sion under item (aa) for 2 addi-
7	tional periods, each of which
8	shall not exceed 1 year.
9	"(II) DEADLINE FOR ACTION ON
10	PETITIONS.—The Administrator shall
11	act on any petition submitted under
12	subclause (I) not later than 180 days
13	after the date of receipt of the peti-
14	tion.".
15	SEC. 1509. DATA COLLECTION.
16	Section 205 of the Department of Energy Organiza-
17	tion Act (42 U.S.C. 7135) is amended by adding at the
18	end the following:
19	"(m) Renewable Fuels Survey.—(1) In order to
20	improve the ability to evaluate the effectiveness of the Na-
21	tion's renewable fuels mandate, the Administrator shall
22	conduct and publish the results of a survey of renewable
23	fuels demand in the motor vehicle fuels market in the
24	United States monthly, and in a manner designed to pro-
25	tect the confidentiality of individual responses. In con-



1	ducting the survey, the Administrator shall collect infor-
2	mation both on a national and regional basis, including
3	each of the following:
4	"(A) The quantity of renewable fuels produced.
5	"(B) The quantity of renewable fuels blended.
6	"(C) The quantity of renewable fuels imported.
7	"(D) The quantity of renewable fuels de-
8	manded.
9	"(E) Market price data.
10	"(F) Such other analyses or evaluations as the
11	Administrator finds is necessary to achieve the pur-
12	poses of this section.
13	"(2) The Administrator shall also collect or estimate
14	information both on a national and regional basis, pursu-
15	ant to subparagraphs (A) through (F) of paragraph (1),
16	for the 5 years prior to implementation of this subsection.
17	"(3) This subsection does not affect the authority of
18	the Administrator to collect data under section 52 of the
19	Federal Energy Administration Act of 1974 (15 U.S.C.
20	790a).".
21	SEC. 1510. FUEL SYSTEM REQUIREMENTS HARMONIZATION
22	STUDY.
23	(a) Study.—
24	(1) In General.—The Administrator of the

Environmental Protection Agency and the Secretary



1	of Energy shall jointly conduct a study of Federal,
2	State, and local requirements concerning motor vehi-
3	cle fuels, including—
4	(A) requirements relating to reformulated
5	gasoline, volatility (measured in Reid vapor
6	pressure), oxygenated fuel, and diesel fuel; and
7	(B) other requirements that vary from
8	State to State, region to region, or locality to
9	locality.
10	(2) Required elements.—The study shall
11	assess—
12	(A) the effect of the variety of require-
13	ments described in paragraph (1) on the supply,
14	quality, and price of motor vehicle fuels avail-
15	able to the consumer;
16	(B) the effect of the requirements de-
17	scribed in paragraph (1) on achievement of—
18	(i) national, regional, and local air
19	quality standards and goals; and
20	(ii) related environmental and public
21	health protection standards and goals (in-
22	cluding the protection of children, preg-
23	nant women, minority or low-income com-
24	munities, and other sensitive populations);



1	(C) the effect of Federal, State, and local
2	motor vehicle fuel regulations, including mul-
3	tiple motor vehicle fuel requirements, on—
4	(i) domestic refiners;
5	(ii) the fuel distribution system; and
6	(iii) industry investment in new capac-
7	ity;
8	(D) the effect of the requirements de-
9	scribed in paragraph (1) on emissions from ve-
10	hicles, refiners, and fuel handling facilities;
11	(E) the feasibility of developing national or
12	regional motor vehicle fuel slates for the 48
13	contiguous States that, while protecting and im-
14	proving air quality at the national, regional,
15	and local levels, could—
16	(i) enhance flexibility in the fuel dis-
17	tribution infrastructure and improve fuel
18	fungibility;
19	(ii) reduce price volatility and costs to
20	consumers and producers;
21	(iii) provide increased liquidity to the
22	gasoline market; and
23	(iv) enhance fuel quality, consistency,
24	and supply;



1	(F) the feasibility of providing incentives,
2	and the need for the development of national
3	standards necessary, to promote cleaner burn-
4	ing motor vehicle fuel; and
5	(G) the extent to which improvements in
6	air quality and any increases or decreases in
7	the price of motor fuel can be projected to re-
8	sult from the Environmental Protection Agen-
9	cy's Tier II requirements for conventional gaso-
10	line and vehicle emission systems, on-road and
11	off-road diesel rules, the reformulated gasoline
12	program, the renewable content requirements
13	established by this subtitle, State programs re-
14	garding gasoline volatility, and any other re-
15	quirements imposed by the Federal Govern-
16	ment, States or localities affecting the composi-
17	tion of motor fuel.
18	(b) Report.—
19	(1) In general.—Not later than June 1,
20	2008, the Administrator of the Environmental Pro-
21	tection Agency and the Secretary of Energy shall
22	submit to Congress a report on the results of the
23	study conducted under subsection (a)



1	(A) IN GENERAL.—The report shall con-
2	tain recommendations for legislative and admin-
3	istrative actions that may be taken—
4	(i) to improve air quality;
5	(ii) to reduce costs to consumers and
6	producers; and
7	(iii) to increase supply liquidity.
8	(B) REQUIRED CONSIDERATIONS.—The
9	recommendations under subparagraph (A) shall
10	take into account the need to provide advance
11	notice of required modifications to refinery and
12	fuel distribution systems in order to ensure an
13	adequate supply of motor vehicle fuel in all
14	States.
15	(3) Consultation.—In developing the report,
16	the Administrator of the Environmental Protection
17	Agency and the Secretary of Energy shall consult
18	with—
19	(A) the Governors of the States;
20	(B) automobile manufacturers;
21	(C) State and local air pollution control
22	regulators;
23	(D) public health experts;
24	(E) motor vehicle fuel producers and dis-
25	tributors; and



1	(F) the public.
2	SEC. 1511. [COMMERCIAL BYPRODUCTS FROM MUNICIPAL
3	SOLID WASTE AND CELLULOSIC BIOMASS
4	LOAN GUARANTEE PROGRAM].
5	(a) Definition of Municipal Solid Waste.—In
6	this section, the term "municipal solid waste" has the
7	meaning given the term "solid waste" in section 1004 of
8	the Solid Waste Disposal Act (42 U.S.C. 6903).
9	(b) Establishment of Program.—The Secretary
10	of Energy (hereinafter in this section referred to as the
11	"Secretary") shall establish a program to provide guaran-
12	tees of loans by private institutions for the construction
13	of facilities for the processing and conversion of municipal
14	solid waste and cellulosic biomass into fuel ethanol and
15	other commercial byproducts.
16	(c) REQUIREMENTS.—The Secretary may provide a
17	loan guarantee under subsection (b) to an applicant if—
18	(1) without a loan guarantee, credit is not
19	available to the applicant under reasonable terms or
20	conditions sufficient to finance the construction of a
21	facility described in subsection (b);
22	(2) the prospective earning power of the appli-
23	cant and the character and value of the security
24	pledged provide a reasonable assurance of repayment



1	of the loan to be guaranteed in accordance with the
2	terms of the loan; and
3	(3) the loan bears interest at a rate determined
4	by the Secretary to be reasonable, taking into ac-
5	count the current average yield on outstanding obli-
6	gations of the United States with remaining periods
7	of maturity comparable to the maturity of the loan.
8	(d) Criteria.—In selecting recipients of loan guar-
9	antees from among applicants, the Secretary shall give
10	preference to proposals that—
11	(1) meet all applicable Federal and State per-
12	mitting requirements;
13	(2) are most likely to be successful; and
14	(3) are located in local markets that have the
15	greatest need for the facility because of—
16	(A) the limited availability of land for
17	waste disposal;
18	(B) the availability of sufficient quantities
19	of cellulosic biomass; or
20	(C) a high level of demand for fuel ethanol
21	or other commercial byproducts of the facility.
22	(e) Maturity.—A loan guaranteed under subsection
23	(b) shall have a maturity of not more than 20 years.
24	(f) Terms and Conditions.—The loan agreement
25	for a loan guaranteed under subsection (b) shall provide



- 1 that no provision of the loan agreement may be amended
- 2 or waived without the consent of the Secretary.
- 3 (g) Assurance of Repayment.—The Secretary
- 4 shall require that an applicant for a loan guarantee under
- 5 subsection (b) provide an assurance of repayment in the
- 6 form of a performance bond, insurance, collateral, or other
- 7 means acceptable to the Secretary in an amount equal to
- 8 not less than 20 percent of the amount of the loan.
- 9 (h) Guarantee Fee.—The recipient of a loan guar-
- 10 antee under subsection (b) shall pay the Secretary an
- 11 amount determined by the Secretary to be sufficient to
- 12 cover the administrative costs of the Secretary relating to
- 13 the loan guarantee.
- 14 (i) Full Faith and Credit.—The full faith and
- 15 credit of the United States is pledged to the payment of
- 16 all guarantees made under this section. Any such guar-
- 17 antee made by the Secretary shall be conclusive evidence
- 18 of the eligibility of the loan for the guarantee with respect
- 19 to principal and interest. The validity of the guarantee
- 20 shall be incontestable in the hands of a holder of the guar-
- 21 anteed loan.
- 22 (j) Reports.—Until each guaranteed loan under this
- 23 section has been repaid in full, the Secretary shall annu-
- 24 ally submit to Congress a report on the activities of the
- 25 Secretary under this section.



1	(K) AUTHORIZATION OF APPROPRIATIONS.—There
2	are authorized to be appropriated such sums as are nec-
3	essary to carry out this section.
4	(l) TERMINATION OF AUTHORITY.—The authority of
5	the Secretary to issue a loan guarantee under subsection
6	(b) terminates on the date that is 10 years after the date
7	of enactment of this Act.
8	SEC. 1512. RENEWABLE FUEL.
9	(a) In General.—The Clean Air Act is amended by
10	inserting after section 211 (42 U.S.C. 7411) the following:
11	"SEC. 212. RENEWABLE FUEL.
12	"(a) Definitions.—In this section:
13	"(1) MUNICIPAL SOLID WASTE.—The term
14	'municipal solid waste' has the meaning given the
15	term 'solid waste' in section 1004 of the Solid Waste
16	Disposal Act (42 U.S.C. 6903).
17	"(2) RFG STATE.—The term 'RFG State'
18	means a State in which is located 1 or more covered
19	areas (as defined in section $211(k)(10)(D)$).
20	"(3) Secretary.—The term 'Secretary' means
21	the Secretary of Energy.
22	"(b) Survey of Renewable Fuel Market.—
23	"(1) Survey and report.—Not later than
24	December 1, 2006, and annually thereafter, the Ad-
25	ministrator shall—



1	"(A) conduct, with respect to each conven-
2	tional gasoline use area and each reformulated
3	gasoline use area in each State, a survey to de-
4	termine the market shares of—
5	"(i) conventional gasoline containing
6	ethanol;
7	"(ii) reformulated gasoline containing
8	ethanol;
9	"(iii) conventional gasoline containing
10	renewable fuel; and
11	"(iv) reformulated gasoline containing
12	renewable fuel; and
13	"(B) submit to Congress, and make pub-
14	licly available, a report on the results of the
15	survey under subparagraph (A).
16	"(2) Recordkeeping and reporting re-
17	QUIREMENTS.—
18	"(A) In General.—The Administrator
19	may require any refiner, blender, or importer to
20	keep such records and make such reports as are
21	necessary to ensure that the survey conducted
22	under paragraph (1) is accurate.
23	"(B) Reliance on existing require-
24	MENTS.—To avoid duplicative requirements, in
25	carrying out subparagraph (A), the Adminis-



1	trator shall rely, to the maximum extent prac-
2	ticable, on reporting and recordkeeping require-
3	ments in effect on the date of enactment of this
4	section.
5	"(3) Confidentiality.—Activities carried out
6	under this subsection shall be conducted in a man-
7	ner designed to protect confidentiality of individual
8	responses.
9	"(c) Cellulosic Biomass Ethanol and Munic-
10	IPAL SOLID WASTE LOAN GUARANTEE PROGRAM.—
11	"(1) IN GENERAL.—Funds may be provided for
12	the cost (as defined in the Federal Credit Reform
13	Act of 1990 (2 U.S.C. 661 et seq.)) of loan guaran-
14	tees issued under title XIV of the Energy Policy Act
15	of 2005 to carry out commercial demonstration
16	projects for celluosic biomass and sucrose-derived
17	ethanol.
18	"(2) Demonstration projects.—
19	"(A) IN GENERAL.—The Secretary shall
20	issue loan guarantees under this section to
21	carry out not more than 4 projects to commer-
22	cially demonstrate the feasibility and viability of
23	producing cellulosic biomass ethanol or sucrose-
24	derived ethanol, including at least 1 project that



1	uses cereal straw as a feedstock and 1 project
2	that uses municipal solid waste as a feedstock.
3	"(B) Design capacity.—Each project
4	shall have a design capacity to produce at least
5	30,000,000 gallons of cellulosic biomass ethanol
6	each year.
7	"(3) Applicant assurances.—An applicant
8	for a loan guarantee under this section shall provide
9	assurances, satisfactory to the Secretary, that—
10	"(A) the project design has been validated
11	through the operation of a continuous process
12	facility with a cumulative output of at least
13	50,000 gallons of ethanol;
14	"(B) the project has been subject to a full
15	technical review;
16	"(C) the project is covered by adequate
17	project performance guarantees;
18	"(D) the project, with the loan guarantee,
19	is economically viable; and
20	"(E) there is a reasonable assurance of re-
21	payment of the guaranteed loan.
22	"(4) Limitations.—
23	"(A) MAXIMUM GUARANTEE.—Except as
24	provided in subparagraph (B), a loan guarantee
25	under this section may be issued for up to 80



1	percent of the estimated cost of a project, but
2	may not exceed \$250,000,000 for a project.
3	"(B) Additional guarantees.—
4	"(i) In General.—The Secretary
5	may issue additional loan guarantees for a
6	project to cover up to 80 percent of the ex-
7	cess of actual project cost over estimated
8	project cost but not to exceed 15 percent
9	of the amount of the original guarantee.
10	"(ii) Principal and interest.—
11	Subject to subparagraph (A), the Secretary
12	shall guarantee 100 percent of the prin-
13	cipal and interest of a loan made under
14	subparagraph (A).
15	"(5) Equity contributions.—To be eligible
16	for a loan guarantee under this section, an applicant
17	for the loan guarantee shall have binding commit-
18	ments from equity investors to provide an initial eq-
19	uity contribution of at least 20 percent of the total
20	project cost.
21	"(6) Insufficient amounts.—If the amount
22	made available to carry out this section is insuffi-
23	cient to allow the Secretary to make loan guarantees
24	for 3 projects described in subsection (b), the Sec-

retary shall issue loan guarantees for 1 or more



1	qualifying projects under this section in the order in
2	which the applications for the projects are received
3	by the Secretary.
4	"(7) Approval.—An application for a loan
5	guarantee under this section shall be approved or
6	disapproved by the Secretary not later than 90 days
7	after the application is received by the Secretary.
8	"(d) Authorization of Appropriations for Re-
9	SOURCE CENTER.—There is authorized to be appro-
10	priated, for a resource center to further develop bioconver-
11	sion technology using low-cost biomass for the production
12	of ethanol at the Center for Biomass-Based Energy at the
13	Mississippi State University and the Oklahoma State Uni-
14	versity, \$4,000,000 for each of fiscal years 2005 through
15	2007.
16	"(e) Renewable Fuel Production Research
17	AND DEVELOPMENT GRANTS.—
18	"(1) In General.—The Administrator shall
19	provide grants for the research into, and develop-
20	ment and implementation of, renewable fuel produc-
21	tion technologies in RFG States with low rates of
22	ethanol production, including low rates of production
23	of cellulosic biomass ethanol.



24

"(2) Eligibility.—

1	"(A) IN GENERAL.—The entities eligible to
2	receive a grant under this subsection are aca-
3	demic institutions in RFG States, and consortia
4	made up of combinations of academic institu-
5	tions, industry, State government agencies, or
6	local government agencies in RFG States, that
7	have proven experience and capabilities with
8	relevant technologies.
9	"(B) APPLICATION.—To be eligible to re-
10	ceive a grant under this subsection, an eligible
11	entity shall submit to the Administrator an ap-
12	plication in such manner and form, and accom-
13	panied by such information, as the Adminis-
14	trator may specify.
15	"(3) Authorization of appropriations.—
16	There is authorized to be appropriated to carry out
17	this subsection \$25,000,000 for each of fiscal years
18	2006 through 2010.
19	"(f) CELLULOSIC BIOMASS ETHANOL CONVERSION
20	Assistance.—
21	"(1) IN GENERAL.—The Secretary may provide
22	grants to merchant producers of cellulosic biomass
23	ethanol in the United States to assist the producers

in building eligible production facilities described in



1	paragraph (2) for the production of cellulosic bio-
2	mass ethanol.
3	"(2) ELIGIBLE PRODUCTION FACILITIES.—A
4	production facility shall be eligible to receive a grant
5	under this subsection if the production facility—
6	"(A) is located in the United States; and
7	"(B) uses cellulosic biomass feedstocks de-
8	rived from agricultural residues or municipal
9	solid waste.
10	"(3) Authorization of appropriations.—
11	There is authorized to be appropriated to carry out
12	this subsection—
13	"(A) $$250,000,000$ for fiscal year 2006 ;
14	and
15	"(B) $$400,000,000$ for fiscal year 2007.".
16	(b) Conforming Amendment.—The table of con-
17	tents for the Clean Air Act (42 U.S.C. 7401 prec.) is
18	amended by inserting after the item relating to section
19	211 the following:
	"212. Renewable fuels.".
20	SEC. 1513. [CONVERSION ASSISTANCE FOR CELLULOSIC
21	BIOMASS, WASTE-DERIVED ETHANOL, AP-
22	PROVED RENEWABLE FUELS].
23	Section 211 of the Clean Air Act (42 U.S.C. 7545)
24	is amended by adding at the end the following:



1	"(r) Conversion Assistance for Cellulosic
2	BIOMASS, WASTE-DERIVED ETHANOL, APPROVED RE-
3	NEWABLE FUELS.—
4	"(1) In General.—The Secretary of Energy
5	may provide grants to merchant producers of cel-
6	lulosic biomass ethanol, waste-derived ethanol, and
7	approved renewable fuels in the United States to as-
8	sist the producers in building eligible production fa-
9	cilities described in paragraph (2) for the production
10	of ethanol or approved renewable fuels.
11	"(2) ELIGIBLE PRODUCTION FACILITIES.—A
12	production facility shall be eligible to receive a grant
13	under this subsection if the production facility—
14	"(A) is located in the United States; and
15	"(B) uses cellulosic or renewable biomass
16	or waste-derived feedstocks derived from agri-
17	cultural residues, wood residues, municipal solic
18	waste, or agricultural byproducts.
19	"(3) Authorization of appropriations.—
20	There are authorized to be appropriated the fol-
21	lowing amounts to carry out this subsection:
22	"(A) $$100,000,000$ for fiscal year 2006.
23	"(B) $$250,000,000$ for fiscal year 2007.
24	"(C) \$400,000,000 for fiscal year 2008.



1	"(4) Definitions.—For the purposes of this
2	subsection:
3	"(A) The term 'approved renewable fuels
4	are fuels and components of fuels that have
5	been approved by the Department of Energy, as
6	defined in section 301 of the Energy Policy Act
7	of 1992 (42 U.S.C. 13211)), which have been
8	made from renewable biomass.
9	"(B) The term 'renewable biomass' is, as
10	defined in Presidential Executive Order 13134
11	published in the Federal Register on August
12	16, 1999, any organic matter that is available
13	on a renewable or recurring basis (excluding
14	old-growth timber), including dedicated energy
15	crops and trees, agricultural food and feed crop
16	residues, acquatic plants, animal wastes, wood
17	and wood residues, paper and paper residues
18	and other vegetative waste materials. Old-
19	growth timber means timber of a forest from
20	the late successional stage of forest develop-
21	ment.".
22	SEC. 1514. BLENDING OF COMPLIANT REFORMULATED GAS
23	OLINES.
24	Section 211 of the Clean Air Act (42 U.S.C. 7545)
25	is amended by adding at the end the following:



1	"(s) Blending of Compliant Reformulated
2	GASOLINES.—
3	"(1) In General.—Notwithstanding sub-
4	sections (h) and (k) and subject to the limitations in
5	paragraph (2) of this subsection, it shall not be a
6	violation of this subtitle for a gasoline retailer, dur-
7	ing any month of the year, to blend at a retail loca-
8	tion batches of ethanol-blended and non-ethanol-
9	blended reformulated gasoline, provided that—
10	"(A) each batch of gasoline to be blended
11	has been individually certified as in compliance
12	with subsections (h) and (k) prior to being
13	blended;
14	"(B) the retailer notifies the Administrator
15	prior to such blending, and identifies the exact
16	location of the retail station and the specific
17	tank in which such blending will take place;
18	"(C) the retailer retains and, as requested
19	by the Administrator or the Administrator's
20	designee, makes available for inspection such
21	certifications accounting for all gasoline at the
22	retail outlet; and
23	"(D) the retailer does not, between June 1
24	and September 15 of each year, blend a batch

of VOC-controlled, or 'summer', gasoline with a



1	batch of non-VOC-controlled, or 'winter', gaso-
2	line (as these terms are defined under sub-
3	sections (h) and (k)).
4	"(2) Limitations.—
5	"(A) Frequency Limitation.—A retailer shall
6	only be permitted to blend batches of compliant re-
7	formulated gasoline under this subsection a max-
8	imum of two blending periods between May 1 and
9	September 15 of each calendar year.
10	"(B) DURATION OF BLENDING PERIOD.—Each
11	blending period authorized under subparagraph (A)
12	shall extend for a period of no more than 10 con-
13	secutive calendar days.
14	"(3) Surveys.—A sample of gasoline taken
15	from a retail location that has blended gasoline with-
16	in the past 30 days and is in compliance with sub-
17	paragraphs (A), (B), (C), and (D) of paragraph (1)
18	shall not be used in a VOC survey mandated by 40
19	C.F.R. Part 80.
20	"(4) State implementation plans.—A State
21	shall be held harmless and shall not be required to
22	revise its State implementation plan under section
23	110 to account for the emissions from blended gaso-
24	line authorized under paragraph (1).



1	"(5) Preservation of State Law.—Nothing
2	in this subsection shall—
3	"(A) preempt existing State laws or regu-
4	lations regulating the blending of compliant
5	gasolines; or
6	"(B) prohibit a State from adopting such
7	restrictions in the future.
8	"(6) Regulations.—The Administrator shall
9	promulgate, after notice and comment, regulations
10	implementing this subsection within one year after
11	the date of enactment of this subsection.
12	"(7) Effective date.—This subsection shall
13	become effective 15 months after the date of its en-
14	actment and shall apply to blended batches of refor-
15	mulated gasoline on or after that date, regardless of
16	whether the implementing regulations required by
17	paragraph (6) have been promulgated by the Admin-
18	istrator by that date.
19	"(8) Liability.—No person other than the
20	person responsible for blending under this subsection
21	shall be subject to an enforcement action or pen-
22	alties under subsection (d) solely arising from the
23	blending of compliant reformulated gasolines by the
24	retailers.



1	"(9) Formulation of Gasoline.—This sub-
2	section does not grant authority to the Adminis-
3	trator or any State (or any subdivision thereof) to
4	require reformulation of gasoline at the refinery to
5	adjust for potential or actual emissions increases due
6	to the blending authorized by this subsection.".
7	SEC. 1515. ADVANCED BIOFUEL TECHNOLOGIES PROGRAM.
8	(a) In General.—Subject to the availability of ap-
9	propriations under subsection (d), the Administrator of
10	the Environmental Protection Agency shall, in consulta-
11	tion with the Secretary of Agriculture and the Biomass
12	Research and Development Technical Advisory Committee
13	established under section 306 of the Biomass Research
14	and Development Act of 2000 (Public Law 106–224; 7
15	U.S.C. 8101 note), establish a program, to be known as
16	the "Advanced Biofuel Technologies Program", to dem-
17	onstrate advanced technologies for the production of alter-
18	native transportation fuels.
19	(b) Priority.—In carrying out the program under
20	subsection (a), the Administrator shall give priority to
21	projects that enhance the geographical diversity of alter-
22	native fuels production and utilize feedstocks that rep-
23	resent 10 percent or less of ethanol or biodiesel fuel pro-
24	duction in the United States during the previous fiscal



25 year.

1	(c) Demonstration Projects.—
2	(1) In general.—As part of the program
3	under subsection (a), the Administrator shall fund
4	demonstration projects—
5	(A) to develop not less than 4 different
6	conversion technologies for producing cellulosic
7	biomass ethanol; and
8	(B) to develop not less than 5 technologies
9	for coproducing value-added bioproducts (such
10	as fertilizers, herbicides, and pesticides) result-
11	ing from the production of biodiesel fuel.
12	(2) Administration.—Demonstration projects
13	under this subsection shall be—
14	(A) conducted based on a merit-reviewed,
15	competitive process; and
16	(B) subject to the cost-sharing require-
17	ments of section 1002.
18	(d) Authorization of Appropriations.—There
19	are authorized to be appropriated to carry out this section
20	\$110,000,000 for each of fiscal years 2005 through 2009.
21	SEC. 1516. WASTE-DERIVED ETHANOL AND BIODIESEL.
22	Section 312(f)(1) of the Energy Policy Act of 1992
23	(42 U.S.C. 13220(f)(1)) is amended—
24	(1) by striking "biodiesel' means" and insert-
25	ing the following: "biodiesel"—



1	"(A) means"; and
2	(2) in subparagraph (A) (as designated by
3	paragraph (1)) by striking "and" at the end and in-
4	serting the following:
5	"(B) includes biodiesel derived from—
6	"(i) animal wastes, including poultry
7	fats and poultry wastes, and other waste
8	materials; or
9	"(ii) municipal solid waste and
10	sludges and oils derived from wastewater
11	and the treatment of wastewater; and"."
12	Subtitle B—Underground Storage
	Tarala Carrantiana
13	Tank Compliance
1314	SEC. 1521. SHORT TITLE.
	-
14 15	SEC. 1521. SHORT TITLE.
14 15	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Stor-
14151617	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005".
14151617	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS.
14 15 16 17 18	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS. (a) IN GENERAL.—Section 9004 of the Solid Waste
141516171819	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS. (a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at
14151617181920	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS. (a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:
14 15 16 17 18 19 20 21	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS. (a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following: "(f) Trust Fund Distribution.—
14 15 16 17 18 19 20 21 22	SEC. 1521. SHORT TITLE. This subtitle may be cited as the "Underground Storage Tank Compliance Act of 2005". SEC. 1522. LEAKING UNDERGROUND STORAGE TANKS. (a) IN GENERAL.—Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following: "(f) Trust Fund Distribution.— "(1) In GENERAL.—



1	funds from the Trust Fund that are made
2	available to the Administrator under section
3	9014(2)(A) for each fiscal year for use in pay-
4	ing the reasonable costs, incurred under a coop-
5	erative agreement with any State for—
6	"(i) corrective actions taken by the
7	State under section 9003(h)(7)(A);
8	"(ii) necessary administrative ex-
9	penses, as determined by the Adminis-
10	trator, that are directly related to State
11	fund or State assurance programs under
12	subsection (c)(1); or
13	"(iii) enforcement, by a State or a
14	local government, of State or local regula-
15	tions pertaining to underground storage
16	tanks regulated under this subtitle.
17	"(B) Use of funds for enforce-
18	MENT.—In addition to the uses of funds au-
19	thorized under subparagraph (A), the Adminis-
20	trator may use funds from the Trust Fund that
21	are not distributed to States under subpara-
22	graph (A) for enforcement of any regulation
23	promulgated by the Administrator under this
24	subtitle.



1	"(C) Prohibited Uses.—Funds provided
2	to a State by the Administrator under subpara-
3	graph (A) shall not be used by the State to pro-
4	vide financial assistance to an owner or oper-
5	ator to meet any requirement relating to under-
6	ground storage tanks under subparts B, C, D,
7	H, and G of part 280 of title 40, Code of Fed-
8	eral Regulations (as in effect on the date of en-
9	actment of this subsection).
10	"(2) Allocation.—
11	"(A) Process.—Subject to subparagraphs
12	(B) and (C), in the case of a State with which
13	the Administrator has entered into a coopera-
14	tive agreement under section 9003(h)(7)(A),
15	the Administrator shall distribute funds from
16	the Trust Fund to the State using an allocation
17	process developed by the Administrator.
18	"(B) DIVERSION OF STATE FUNDS.—The
19	Administrator shall not distribute funds under
20	subparagraph $(A)(iii)$ of subsection $(f)(1)$ to
21	any State that has diverted funds from a State
22	fund or State assurance program for purposes
23	other than those related to the regulation of un-
24	derground storage tanks covered by this sub-

title, with the exception of those transfers that



1	had been completed earlier than the date of en-
2	actment of this subsection.
3	"(C) REVISIONS TO PROCESS.—The Ad-
4	ministrator may revise the allocation process re-
5	ferred to in subparagraph (A) after—
6	"(i) consulting with State agencies re-
7	sponsible for overseeing corrective action
8	for releases from underground storage
9	tanks; and
10	"(ii) taking into consideration, at a
11	minimum, each of the following:
12	"(I) The number of confirmed re-
13	leases from federally regulated leaking
14	underground storage tanks in the
15	States.
16	"(II) The number of federally
17	regulated underground storage tanks
18	in the States.
19	"(III) The performance of the
20	States in implementing and enforcing
21	the program.
22	"(IV) The financial needs of the
23	States.



1	"(V) The ability of the States to
2	use the funds referred to in subpara-
3	graph (A) in any year.
4	"(3) Distributions to state agencies.—
5	Distributions from the Trust Fund under this sub-
6	section shall be made directly to a State agency
7	that—
8	"(A) enters into a cooperative agreement
9	referred to in paragraph (2)(A); or
10	"(B) is enforcing a State program ap-
11	proved under this section.".
12	(b) Withdrawal of Approval of State
13	Funds.—Section 9004(c) of the Solid Waste Disposal Act
14	(42 U.S.C. 6991c(c)) is amended by inserting the fol-
15	lowing new paragraph at the end thereof:
16	"(6) WITHDRAWAL OF APPROVAL.—After an
17	opportunity for good faith, collaborative efforts to
18	correct financial deficiencies with a State fund, the
19	Administrator may withdraw approval of any State
20	fund or State assurance program to be used as a fi-
21	nancial responsibility mechanism without with-
22	drawing approval of a State underground storage
23	tank program under section 9004(a).".
24	(c) Ability to Pay.—Section 9003(h)(6) of the
25	Solid Waste Disposal Act (42 U.S.C. 6591a(h)(6)) is



1	amended by adding the following new subparagraph at the
2	end thereof:
3	"(E) Inability or limited ability to
4	PAY.—
5	"(i) In General.—In determining
6	the level of recovery effort, or amount that
7	should be recovered, the Administrator (or
8	the State pursuant to paragraph (7)) shall
9	consider the owner or operator's ability to
10	pay. An inability or limited ability to pay
11	corrective action costs must be dem
12	onstrated to the Administrator (or the
13	State pursuant to paragraph (7)) by the
14	owner or operator.
15	"(ii) Considerations.—In deter
16	mining whether or not a demonstration is
17	made under clause (i), the Administrator
18	(or the State pursuant to paragraph (7)
19	shall take into consideration the ability o
20	the owner or operator to pay corrective ac
21	tion costs and still maintain its basic busi
22	ness operations, including consideration o
23	the overall financial condition of the owner
24	or operator and demonstrable constraints



1	on the ability of the owner or operator to
2	raise revenues.
3	"(iii) Information.—An owner or
4	operator requesting consideration under
5	this subparagraph shall promptly provide
6	the Administrator (or the State pursuant
7	to paragraph (7)) with all relevant infor-
8	mation needed to determine the ability of
9	the owner or operator to pay corrective ac-
10	tion costs.
11	"(iv) Alternative payment meth-
12	ods.—The Administrator (or the State
13	pursuant to paragraph (7)) shall consider
14	alternative payment methods as may be
15	necessary or appropriate if the Adminis-
16	trator (or the State pursuant to paragraph
17	(7)) determines that an owner or operator
18	cannot pay all or a portion of the costs in
19	a lump sum payment.
20	"(iii) Misrepresentation.—If an
21	owner or operator provides false informa-
22	tion or otherwise misrepresents their finan-
23	cial situation under clause (ii), the Admin-
24	istrator (or the State pursuant to para-

 ${\rm graph}\ (7))\ {\rm shall}\ {\rm seek}\ {\rm full}\ {\rm recovery}\ {\rm of}\ {\rm the}$



1	costs of all such actions pursuant to the
2	provisions of subparagraph (A) without
3	consideration of the factors in subpara-
4	graph (B).".
5	SEC. 1523. INSPECTION OF UNDERGROUND STORAGE
6	TANKS.
7	(a) Inspection Requirements.—Section 9005 of
8	the Solid Waste Disposal Act (42 U.S.C. 6991d) is amend-
9	ed by inserting the following new subsection at the end
10	thereof:
11	"(c) Inspection Requirements.—
12	"(1) Uninspected tanks.—In the case of un-
13	derground storage tanks regulated under this sub-
14	title that have not undergone an inspection since De-
15	cember 22, 1998, not later than 2 years after the
16	date of enactment of this subsection, the Adminis-
17	trator or a State that receives funding under this
18	subtitle, as appropriate, shall conduct on-site inspec-
19	tions of all such tanks to determine compliance with
20	this subtitle and the regulations under this subtitle
21	(40 C.F.R. 280) or a requirement or standard of a
22	State program developed under section 9004.
23	"(2) Periodic inspections.—After completion
24	of all inspections required under paragraph (1), the

Administrator or a State that receives funding under



1 this subtitle, as appropriate, shall conduct on-site in-2 spections of each underground storage tank regu-3 lated under this subtitle at least once every 3 years to determine compliance with this subtitle and the 5 regulations under this subtitle (40 C.F.R. 280) or a 6 requirement or standard of a State program devel-7 oped under section 9004. The Administrator may ex-8 tend for up to one additional year the first 3-year 9 inspection interval under this paragraph if the State 10 demonstrates that it has insufficient resources to 11 complete all such inspections within the first 3-year 12 period.

"(3) Inspection authority.—Nothing in this section shall be construed to diminish the Administrator's or a State's authorities under section 9005(a).".

17 (b) STUDY OF ALTERNATIVE INSPECTION PRO-18 GRAMS.—The Administrator of the Environmental Protec-19 tion Agency, in coordination with a State, shall gather in-20 formation on compliance assurance programs that could 21 serve as an alternative to the inspection programs under

22 section 9005(c) of the Solid Waste Disposal Act (42

23 U.S.C. 6991d(c)) and shall, within 4 years after the date

24 of enactment of this Act, submit a report to the Congress

25 containing the results of such study.



	• •
1	SEC. 1524. OPERATOR TRAINING.
2	(a) In General.—Section 9010 of the Solid Waste
3	Disposal Act (42 U.S.C. 6991i) is amended to read as fol-
4	lows:
5	"SEC. 9010. OPERATOR TRAINING.
6	"(a) Guidelines.—
7	"(1) IN GENERAL.—Not later than 2 years
8	after the date of enactment of the Underground
9	Storage Tank Compliance Act of 2005, in consulta-
10	tion and cooperation with States and after public no-
11	tice and opportunity for comment, the Administrator
12	shall publish guidelines that specify training require-
13	ments for—
14	"(A) persons having primary responsibility
15	for on-site operation and maintenance of under-
16	ground storage tank systems;
17	"(B) persons having daily on-site responsi-
18	bility for the operation and maintenance of un-
19	derground storage tanks systems; and
20	"(C) daily, on-site employees having pri-
21	mary responsibility for addressing emergencies
22	presented by a spill or release from an under-
23	oround storage tank system

"(2) Considerations.—The guidelines de-

scribed in paragraph (1) shall take into account—



24

1	"(A) State training programs in existence
2	as of the date of publication of the guidelines;
3	"(B) training programs that are being em-
4	ployed by tank owners and tank operators as of
5	the date of enactment of the Underground Stor-
6	age Tank Compliance Act of 2005;
7	"(C) the high turnover rate of tank opera-
8	tors and other personnel;
9	"(D) the frequency of improvement in un-
10	derground storage tank equipment technology;
11	"(E) the nature of the businesses in which
12	the tank operators are engaged;
13	"(F) the substantial differences in the
14	scope and length of training needed for the dif-
15	ferent classes of persons described in subpara-
16	graphs (A), (B), and (C) of paragraph (1); and
17	"(G) such other factors as the Adminis-
18	trator determines to be necessary to carry out
19	this section.
20	"(b) State Programs.—
21	"(1) In General.—Not later than 2 years
22	after the date on which the Administrator publishes
23	the guidelines under subsection (a)(1), each State
24	that receives funding under this subtitle shall de-

velop State-specific training requirements that are



1	consistent with the guidelines developed under sub-
2	section $(a)(1)$.
3	"(2) Requirements.—State requirements de-
4	scribed in paragraph (1) shall—
5	"(A) be consistent with subsection (a);
6	"(B) be developed in cooperation with tank
7	owners and tank operators;
8	"(C) take into consideration training pro-
9	grams implemented by tank owners and tank
10	operators as of the date of enactment of this
11	section; and
12	"(D) be appropriately communicated to
13	tank owners and operators.
14	"(3) Financial incentive.—The Adminis-
15	trator may award to a State that develops and im-
16	plements requirements described in paragraph (1),
17	in addition to any funds that the State is entitled to
18	receive under this subtitle, not more than \$200,000,
19	to be used to carry out the requirements.
20	"(c) Training.—All persons that are subject to the
21	operator training requirements of subsection (a) shall—
22	"(1) meet the training requirements developed
23	under subsection (b); and
24	"(2) repeat the applicable requirements devel-
25	oped under subsection (b), if the tank for which they



1	have primary daily on-site management responsibil-
2	ities is determined to be out of compliance with—
3	"(A) a requirement or standard promul-
4	gated by the Administrator under section 9003;
5	or
6	"(B) a requirement or standard of a State
7	program approved under section 9004.".
8	(b) State Program Requirement.—Section
9	9004(a) of the Solid Waste Disposal Act (42 U.S.C.
10	6991c(a)) is amended by striking "and" at the end of
11	paragraph (7), by striking the period at the end of para-
12	graph (8) and inserting "; and", and by adding the fol-
13	lowing new paragraph at the end thereof:
14	"(9) State-specific training requirements as re-
15	quired by section 9010.".
16	(c) Enforcement.—Section 9006(d)(2) of such Act
17	(42 U.S.C. 6991e) is amended as follows:
18	(1) By striking "or" at the end of subpara-
19	graph (B).
20	(2) By adding the following new subparagraph
21	after subparagraph (C):
22	"(D) the training requirements established by
23	States pursuant to section 9010 (relating to oper-
24	ator training): or".



1	(d) Table of Contents.—The item relating to sec-
2	tion 9010 in table of contents for the Solid Waste Disposal
3	Act is amended to read as follows:
	"Sec. 9010. Operator training.".
4	SEC. 1525. REMEDIATION FROM OXYGENATED FUEL ADDI-
5	TIVES.
6	Section 9003(h) of the Solid Waste Disposal Act (42
7	U.S.C. 6991b(h)) is amended as follows:
8	(1) In paragraph $(7)(A)$ —
9	(A) by striking "paragraphs (1) and (2) of
10	this subsection" and inserting "paragraphs (1),
11	(2), and (12)"; and
12	(B) by striking "and including the authori-
13	ties of paragraphs (4), (6), and (8) of this sub-
14	section" and inserting "and the authority under
15	sections 9011 and 9012 and paragraphs (4),
16	(6), and (8),".
17	(2) By adding at the end the following:
18	"(12) Remediation of oxygenated fuel
19	CONTAMINATION.—
20	"(A) In General.—The Administrator
21	and the States may use funds made available
22	under section 9014(2)(B) to carry out correc-
23	tive actions with respect to a release of a fuel
24	containing an oxygenated fuel additive that pre-



1	sents a threat to human health or welfare or
2	the environment.
3	"(B) APPLICABLE AUTHORITY.—The Ad
4	ministrator or a State shall carry out subpara
5	graph (A) in accordance with paragraph (2)
6	and in the case of a State, in accordance with
7	a cooperative agreement entered into by the Ad
8	ministrator and the State under paragraph
9	(7).".
10	SEC. 1526. RELEASE PREVENTION, COMPLIANCE, AND EN
11	FORCEMENT.
12	(a) Release Prevention and Compliance.—Sub
13	title I of the Solid Waste Disposal Act (42 U.S.C. 6993
14	et seq.) is amended by adding at the end the following
15	"SEC. 9011. USE OF FUNDS FOR RELEASE PREVENTION ANI
16	COMPLIANCE.
17	"Funds made available under section 9014(2)(D
18	from the Trust Fund may be used to conduct inspections
19	issue orders, or bring actions under this subtitle—
20	"(1) by a State, in accordance with a grant of
21	cooperative agreement with the Administrator, o
22	State regulations pertaining to underground storage
23	tanks regulated under this subtitle; and



1	"(2) by the Administrator, for tanks regulated
2	under this subtitle (including under a State program
3	approved under section 9004).".
4	(b) Government-Owned Tanks.—Section 9003 of
5	the Solid Waste Disposal Act (42 U.S.C. 6991b) is amend-
6	ed by adding at the end the following:
7	"(i) GOVERNMENT-OWNED TANKS.—
8	"(1) State compliance report.—(A) Not
9	later than 2 years after the date of enactment of
10	this subsection, each State that receives funding
11	under this subtitle shall submit to the Administrator
12	a State compliance report that—
13	"(i) lists the location and owner of each
14	underground storage tank described in subpara-
15	graph (B) in the State that, as of the date of
16	submission of the report, is not in compliance
17	with section 9003; and
18	"(ii) specifies the date of the last inspec-
19	tion and describes the actions that have been
20	and will be taken to ensure compliance of the
21	underground storage tank listed under clause
22	(i) with this subtitle.
23	"(B) An underground storage tank described in
24	this subparagraph is an underground storage tank
25	that is—



1	"(i) regulated under this subtitle; and
2	"(ii) owned or operated by the Federal,
3	State, or local government.
4	"(C) The Administrator shall make each report,
5	received under subparagraph (A), available to the
6	public through an appropriate media.
7	"(2) Financial incentive.—The Adminis-
8	trator may award to a State that develops a report
9	described in paragraph (1), in addition to any other
10	funds that the State is entitled to receive under this
11	subtitle, not more than \$50,000, to be used to carry
12	out the report.
13	"(3) Not a safe harbor.—This subsection
14	does not relieve any person from any obligation or
15	requirement under this subtitle.".
16	(e) Public Record.—Section 9002 of the Solid
17	Waste Disposal Act (42 U.S.C. 6991a) is amended by add-
18	ing at the end the following:
19	"(d) Public Record.—
20	"(1) IN GENERAL.—The Administrator shall re-
21	quire each State that receives Federal funds to carry
22	out this subtitle to maintain, update at least annu-
23	ally, and make available to the public, in such man-
24	ner and form as the Administrator shall prescribe



1	(after consultation with States), a record of under-
2	ground storage tanks regulated under this subtitle.
3	"(2) Considerations.—To the maximum ex-
4	tent practicable, the public record of a State, respec-
5	tively, shall include, for each year—
6	"(A) the number, sources, and causes of
7	underground storage tank releases in the State;
8	"(B) the record of compliance by under-
9	ground storage tanks in the State with—
10	"(i) this subtitle; or
11	"(ii) an applicable State program ap-
12	proved under section 9004; and
13	"(C) data on the number of underground
14	storage tank equipment failures in the State.".
15	(d) Incentive for Performance.—Section 9006
16	of the Solid Waste Disposal Act (42 U.S.C. 6991e) is
17	amended by adding at the end the following:
18	"(e) Incentive for Performance.—Both of the
19	following may be taken into account in determining the
20	terms of a civil penalty under subsection (d):
21	"(1) The compliance history of an owner or op-
22	erator in accordance with this subtitle or a program
23	approved under section 9004.
24	"(2) Any other factor the Administrator con-
25	siders appropriate.".



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1	(e) Table of Contents.—The table of contents for
2	such subtitle I is amended by adding the following new
3	item at the end thereof:
	"Sec. 9011. Use of funds for release prevention and compliance.".
4	SEC. 1527. DELIVERY PROHIBITION.
5	(a) In General.—Subtitle I of the Solid Waste Dis-
6	posal Act (42 U.S.C. 6991 et seq.) is amended by adding
7	at the end the following:
8	"SEC. 9012. DELIVERY PROHIBITION.
9	"(a) Requirements.—
10	"(1) Prohibition of Delivery or De-
11	Posit.—Beginning 2 years after the date of enact-
12	ment of this section, it shall be unlawful to deliver
13	to, deposit into, or accept a regulated substance into
14	an underground storage tank at a facility which has
15	been identified by the Administrator or a State im-
16	plementing agency to be ineligible for fuel delivery or
17	deposit.
18	"(2) GUIDANCE.—Within 1 year after the date
19	of enactment of this section, the Administrator and
20	States that receive funding under this subtitle shall,
21	in consultation with the underground storage tank
22	owner and product delivery industries, for territory
23	for which they are the primary implementing agen-

cies, publish guidelines detailing the specific proc-

esses and procedures they will use to implement the



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1	provisions of this section. The processes and proce-
2	dures include, at a minimum—
3	"(A) the criteria for determining which un-
4	derground storage tank facilities are ineligible
5	for delivery or deposit;
6	"(B) the mechanisms for identifying which
7	facilities are ineligible for delivery or deposit to
8	the underground storage tank owning and fuel
9	delivery industries;
10	"(C) the process for reclassifying ineligible
11	facilities as eligible for delivery or deposit; and
12	"(D) a delineation of, or a process for de-
13	termining, the specified geographic areas sub-
14	ject to paragraph (4).
15	"(3) Delivery Prohibition Notice.—
16	"(A) Roster.—The Administrator and
17	each State implementing agency that receives
18	funding under this subtitle shall establish with-
19	in 24 months after the date of enactment of
20	this section a Delivery Prohibition Roster list-
21	ing underground storage tanks under the Ad-
22	ministrator's or the State's jurisdiction that are
23	determined to be ineligible for delivery or de-
24	posit pursuant to paragraph (2).



1	"(B) Notification.—The Administrator
2	and each State, as appropriate, shall make
3	readily known, to underground storage tank
4	owners and operators and to product delivery
5	industries, the underground storage tanks listed
6	on a Delivery Prohibition Roster by:
7	"(i) posting such Rosters, including
8	the physical location and street address of
9	each listed underground storage tank, on
10	official web sites and, if the Administrator
11	or the State so chooses, other electronic
12	means;
13	"(ii) updating these Rosters periodi-
14	cally; and
15	"(iii) installing a tamper-proof tag,
16	seal, or other device blocking the fill pipes
17	of such underground storage tanks to pre-
18	vent the delivery of product into such un-
19	derground storage tanks.
20	"(C) Roster updates.—The Adminis-
21	trator and the State shall update the Delivery
22	Prohibition Rosters as appropriate, but not less
23	than once a month on the first day of the
24	month.
25	"(D) Tampering with device.—



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1	"(i) Prohibition.—It shall be unlaw-
2	ful for any person, other than an author-
3	ized representative of the Administrator or
4	a State, as appropriate, to remove, tamper
5	with, destroy, or damage a device installed
6	by the Administrator or a State, as appro-
7	priate, under subparagraph (B)(iii) of this
8	subsection.
9	"(ii) Civil penalties.—Any person
10	violating clause (i) of this subparagraph
11	shall be subject to a civil penalty not to ex-
12	ceed \$10,000 for each violation.
13	"(4) Limitation.—
14	"(A) RURAL AND REMOTE AREAS.—Sub-
15	ject to subparagraph (B), the Administrator or
16	a State shall not include an underground stor-
17	age tank on a Delivery Prohibition Roster
18	under paragraph (3) if an urgent threat to pub-
19	lic health, as determined by the Administrator,
20	does not exist and if such a delivery prohibition
21	would jeopardize the availability of, or access
22	to, fuel in any rural and remote areas.
23	"(B) Applicability of Limitation.—
24	The limitation under subparagraph (A) shall

apply only during the 180-day period following



1	the date of a determination by the Adminis-
2	trator or the appropriate State that exercising
3	the authority of paragraph (3) is limited by
4	subparagraph (A).
5	"(b) Effect on State Authority.—Nothing in
6	this section shall affect the authority of a State to prohibit
7	the delivery of a regulated substance to an underground
8	storage tank.
9	"(c) Defense to Violation.—A person shall not
10	be in violation of subsection (a)(1) if the underground
11	storage tank into which a regulated substance is delivered
12	is not listed on the Administrator's or the appropriate
13	State's Prohibited Delivery Roster 7 calendar days prior
14	to the delivery being made.".
15	(b) Enforcement.—Section 9006(d)(2) of such Act
16	(42 U.S.C. 6991e(d)(2)) is amended as follows:
17	(1) By adding the following new subparagraph
18	after subparagraph (D):
19	"(E) the delivery prohibition requirement estab-
20	lished by section 9012,".
21	(2) By adding the following new sentence at the
22	end thereof: "Any person making or accepting a de-
23	livery or deposit of a regulated substance to an un-

derground storage tank at an ineligible facility in



- 1 violation of section 9012 shall also be subject to the
- 2 same civil penalty for each day of such violation.".
- 3 (c) Table of Contents.—The table of contents for
- 4 such subtitle I is amended by adding the following new
- 5 item at the end thereof:

"Sec. 9012. Delivery prohibition.".

6 SEC. 1528. FEDERAL FACILITIES.

- 7 Section 9007 of the Solid Waste Disposal Act (42
- 8 U.S.C. 6991f) is amended to read as follows:

9 "SEC. 9007. FEDERAL FACILITIES.

- 10 "(a) IN GENERAL.—Each department, agency, and
- 11 instrumentality of the executive, legislative, and judicial
- 12 branches of the Federal Government (1) having jurisdic-
- 13 tion over any underground storage tank or underground
- 14 storage tank system, or (2) engaged in any activity result-
- 15 ing, or which may result, in the installation, operation,
- 16 management, or closure of any underground storage tank,
- 17 release response activities related thereto, or in the deliv-
- 18 ery, acceptance, or deposit of any regulated substance to
- 19 an underground storage tank or underground storage tank
- 20 system shall be subject to, and comply with, all Federal,
- 21 State, interstate, and local requirements, both substantive
- 22 and procedural (including any requirement for permits or
- 23 reporting or any provisions for injunctive relief and such
- 24 sanctions as may be imposed by a court to enforce such
- 25 relief), respecting underground storage tanks in the same





manner, and to the same extent, as any person is subject 2 to such requirements, including the payment of reasonable 3 service charges. The Federal, State, interstate, and local 4 substantive and procedural requirements referred to in 5 this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties 6 7 and fines, regardless of whether such penalties or fines 8 are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations. The United 10 States hereby expressly waives any immunity otherwise applicable to the United States with respect to any such 11 12 substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order or civil or administrative penalty or fine referred to in the 14 15 preceding sentence, or reasonable service charge). The reasonable service charges referred to in this subsection in-16 17 clude, but are not limited to, fees or charges assessed in 18 connection with the processing and issuance of permits, 19 renewal of permits, amendments to permits, review of plans, studies, and other documents, and inspection and 21 monitoring of facilities, as well as any other nondiscrim-22 inatory charges that are assessed in connection with a 23 Federal, State, interstate, or local underground storage 24 tank regulatory program. Neither the United States, nor 25 any agent, employee, or officer thereof, shall be immune



or exempt from any process or sanction of any State or Federal Court with respect to the enforcement of any such 3 injunctive relief. No agent, employee, or officer of the 4 United States shall be personally liable for any civil pen-5 alty under any Federal, State, interstate, or local law con-6 cerning underground storage tanks with respect to any act 7 or omission within the scope of the official duties of the 8 agent, employee, or officer. An agent, employee, or officer of the United States shall be subject to any criminal sanc-10 tion (including, but not limited to, any fine or imprisonment) under any Federal or State law concerning under-11 12 ground storage tanks, but no department, agency, or in-13 strumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any 14 15 such sanction. The President may exempt any underground storage tank of any department, agency, or instru-16 17 mentality in the executive branch from compliance with 18 such a requirement if he determines it to be in the para-19 mount interest of the United States to do so. No such 20 exemption shall be granted due to lack of appropriation 21 unless the President shall have specifically requested such 22 appropriation as a part of the budgetary process and the 23 Congress shall have failed to make available such re-24 quested appropriation. Any exemption shall be for a period 25 not in excess of one year, but additional exemptions may

1	be granted for periods not to exceed one year upon the
2	President's making a new determination. The President
3	shall report each January to the Congress all exemptions
4	from the requirements of this section granted during the
5	preceding calendar year, together with his reason for
6	granting each such exemption.
7	"(b) REVIEW OF AND REPORT ON FEDERAL UNDER-
8	GROUND STORAGE TANKS.—
9	"(1) Review.—Not later than 12 months after
10	the date of enactment of the Underground Storage
11	Tank Compliance Act of 2005, each Federal agency
12	that owns or operates 1 or more underground stor-
13	age tanks, or that manages land on which 1 or more
14	underground storage tanks are located, shall submit
15	to the Administrator, the Committee on Energy and
16	Commerce of the United States House of Represent-
17	atives, and the Committee on the Environment and
18	Public Works of the United States Senate a compli-
19	ance strategy report that—
20	"(A) lists the location and owner of each
21	underground storage tank described in this
22	paragraph;
23	"(B) lists all tanks that are not in compli-
24	ance with this subtitle that are owned or oper-
25	ated by the Federal agency;



1	"(C) specifies the date of the last inspec-
2	tion by a State or Federal inspector of each un-
3	derground storage tank owned or operated by
4	the agency;
5	"(D) lists each violation of this subtitle re-
6	specting any underground storage tank owned
7	or operated by the agency;
8	"(E) describes the operator training that
9	has been provided to the operator and other
10	persons having primary daily on-site manage-
11	ment responsibility for the operation and main-
12	tenance of underground storage tanks owned or
13	operated by the agency; and
14	"(F) describes the actions that have been
15	and will be taken to ensure compliance for each
16	underground storage tank identified under sub-
17	paragraph (B).
18	"(2) Not a safe harbor.—This subsection
19	does not relieve any person from any obligation or
20	requirement under this subtitle.".
21	SEC. 1529. TANKS ON TRIBAL LANDS.
22	(a) In General.—Subtitle I of the Solid Waste Dis-
23	posal Act (42 U.S.C. 6991 et seq.) is amended by adding
24	the following at the end thereof:



1 "SEC. 9013. TANKS ON TRIBAL LANDS.

2	"(a) Strategy.—The Administrator, in coordination
3	with Indian tribes, shall, not later than 1 year after the
4	date of enactment of this section, develop and implement
5	a strategy—
6	"(1) giving priority to releases that present the
7	greatest threat to human health or the environment,
8	to take necessary corrective action in response to re-
9	leases from leaking underground storage tanks lo-
10	cated wholly within the boundaries of—
11	"(A) an Indian reservation; or
12	"(B) any other area under the jurisdiction
13	of an Indian tribe; and
14	"(2) to implement and enforce requirements
15	concerning underground storage tanks located wholly
16	within the boundaries of—
17	"(A) an Indian reservation; or
18	"(B) any other area under the jurisdiction
19	of an Indian tribe.
20	"(b) Report.—Not later than 2 years after the date
21	of enactment of this section, the Administrator shall sub-
22	mit to Congress a report that summarizes the status of
23	implementation and enforcement of this subtitle in areas
24	located wholly within—
25	"(1) the boundaries of Indian reservations; and



- 1 "(2) any other areas under the jurisdiction of
- an Indian tribe.
- 3 The Administrator shall make the report under this sub-
- 4 section available to the public.
- 5 "(c) Not a Safe Harbor.—This section does not
- 6 relieve any person from any obligation or requirement
- 7 under this subtitle.
- 8 "(d) State Authority.—Nothing in this section
- 9 applies to any underground storage tank that is located
- 10 in an area under the jurisdiction of a State, or that is
- 11 subject to regulation by a State, as of the date of enact-
- 12 ment of this section.".
- 13 (b) Table of Contents.—The table of contents for
- 14 such subtitle I is amended by adding the following new
- 15 item at the end thereof:

"Sec. 9013. Tanks on Tribal lands.".

- 16 SEC. 1530. ADDITIONAL MEASURES TO PROTECT GROUND-
- 17 WATER.
- 18 (a) In General.—Section 9003 of the Solid Waste
- 19 Disposal Act (42 U.S.C. 6991b) is amended by adding the
- 20 following new subsection at the end:
- 21 "(i) Additional Measures to Protect Ground-
- 22 WATER FROM CONTAMINATION.—The Administrator shall
- 23 require each State that receives funding under this sub-
- 24 title to require one of the following:



1	"(1) Tank and piping secondary contain-
2	MENT.—(A) Each new underground storage tank, or
3	piping connected to any such new tank, installed
4	after the effective date of this subsection, or any ex-
5	isting underground storage tank, or existing piping
6	connected to such existing tank, that is replaced
7	after the effective date of this subsection, shall be
8	secondarily contained and monitored for leaks if the
9	new or replaced underground storage tank or piping
10	is within 1,000 feet of any existing community water
11	system or any existing potable drinking water well.
12	"(B) In the case of a new underground storage
13	tank system consisting of one or more underground
14	storage tanks and connected by piping, subpara-
15	graph (A) shall apply to all underground storage
16	tanks and connected pipes comprising such system.
17	"(C) In the case of a replacement of an existing
18	underground storage tank or existing piping con-
19	nected to the underground storage tank, subpara-
20	graph (A) shall apply only to the specific under-
21	ground storage tank or piping being replaced, not to
22	other underground storage tanks and connected
23	pipes comprising such system.
24	"(D) Each installation of a new motor fuel dis-
25	penser system, after the effective date of this sub-



1	section, shall include under-dispenser spill contain-
2	ment if the new dispenser is within 1,000 feet of any
3	existing community water system or any existing po-
4	table drinking water well.
5	"(E) This paragraph shall not apply to repairs
6	to an underground storage tank, piping, or dispenser
7	that are meant to restore a tank, pipe, or dispenser
8	to operating condition
9	"(F) As used in this subsection:
10	"(i) The term 'secondarily contained'
11	means a release detection and prevention sys-
12	tem that meets the requirements of 40 CFR
13	280.43(g), but shall not include under-dispenser
14	spill containment or control systems.
15	"(ii) The term 'underground storage tank'
16	has the meaning given to it in section 9001, ex-
17	cept that such term does not include tank com-
18	binations or more than a single underground
19	pipe connected to a tank.
20	"(iii) The term 'installation of a new motor
21	fuel dispenser system' means the installation of
22	a new motor fuel dispenser and the equipment
23	necessary to connect the dispenser to the under-
24	ground storage tank system, but does not mean

the installation of a motor fuel dispenser in-



1	stalled separately from the equipment need to
2	connect the dispenser to the underground stor-
3	age tank system.
4	"(2) EVIDENCE OF FINANCIAL RESPONSIBILITY
5	AND CERTIFICATION.—
6	"(A) MANUFACTURER AND INSTALLER FI-
7	NANCIAL RESPONSIBILITY.—A person that
8	manufactures an underground storage tank or
9	piping for an underground storage tank system
10	or that installs an underground storage tank
11	system is required to maintain evidence of fi-
12	nancial responsibility under section 9003(d) in
13	order to provide for the costs of corrective ac-
14	tions directly related to releases caused by im-
15	proper manufacture or installation unless the
16	person can demonstrate themselves to be al-
17	ready covered as an owner or operator of an
18	underground storage tank under section 9003.
19	"(B) Installer certification.—The
20	Administrator and each State that receives
21	funding under this subtitle, as appropriate,
22	shall require that a person that installs an un-
23	derground storage tank system is—
24	"(i) certified or licensed by the tank
25	and piping manufacturer;



1	"(ii) certified or licensed by the Ad-
2	ministrator or a State, as appropriate;
3	"(iii) has their underground storage
4	tank system installation certified by a reg-
5	istered professional engineer with edu-
6	cation and experience in underground stor-
7	age tank system installation;
8	"(iv) has had their installation of the
9	underground storage tank inspected and
10	approved by the Administrator or the
11	State, as appropriate;
12	"(v) compliant with a code of practice
13	developed by a nationally recognized asso-
14	ciation or independent testing laboratory
15	and in accordance with the manufacturers
16	instructions; or
17	"(vi) compliant with another method
18	that is determined by the Administrator or
19	a State, as appropriate, to be no less pro-
20	tective of human health and the environ-
21	ment.".
22	(b) Effective Date.—This subsection shall take
23	effect 18 months after the date of enactment of this sub-
24	section.



1	(e) Promulgation of Regulations or Guide-
2	LINES.—The Administrator shall issue regulations or
3	guidelines implementing the requirements of this sub-
4	section, including guidance to differentiate between the
5	terms "repair" and "replace" for the purposes of section
6	9003(i)(1) of the Solid Waste Disposal Act.
7	(d) Penalties.—Section 9006(d)(2) of such Act (42
8	U.S.C. 6991e(d)(2)) is amended as follows:
9	(1) By striking "or" at the end of subpara-
10	graph (B).
11	(2) By inserting "; or" at the end of subpara-
12	graph (C).
13	(3) By adding the following new subparagraph
14	after subparagraph (C):
15	"(D) the requirements established in sec-
16	tion 9003(i),".
17	SEC. 1531. AUTHORIZATION OF APPROPRIATIONS.
18	(a) In General.—Subtitle I of the Solid Waste Dis-
19	posal Act (42 U.S.C. 6991 et seq.) is amended by adding
20	at the end the following:
21	"SEC. 9014. AUTHORIZATION OF APPROPRIATIONS.
22	"There are authorized to be appropriated to the Ad-



1	"(1) To carry out subtitle I (except sections
2	9003(h), 9005(c), 9011 and 9012) \$50,000,000 for
3	each of fiscal years 2005 through 2009.
4	"(2) From the Trust Fund, notwithstanding
5	section 9508(c)(1) of the Internal Revenue Code of
6	1986:
7	"(A) to carry out section 9003(h) (except
8	section 9003(h)(12)) \$200,000,000 for each of
9	fiscal years 2005 through 2009;
10	"(B) to carry out section 9003(h)(12),
11	\$200,000,000 for each of fiscal years 2005
12	through 2009;
13	"(C) to carry out sections 9003(i),
14	9004(f), and 9005(c) \$100,000,000 for each of
15	fiscal years 2005 through 2009; and
16	"(D) to carry out sections 9010, 9011,
17	9012, and 9013 \$55,000,000 for each of fiscal
18	years 2005 through 2009.".
19	(b) Table of Contents.—The table of contents for
20	such subtitle I is amended by adding the following new
21	item at the end thereof:
	"Sec. 9014. Authorization of appropriations.".
22	SEC. 1532. CONFORMING AMENDMENTS.
23	(a) In General.—Section 9001 of the Solid Waste

24 Disposal Act (42 U.S.C. 6991) is amended as follows:



1	(1) By striking "For the purposes of this sub-
2	title—" and inserting "In this subtitle:".
3	(2) By redesignating paragraphs (1), (2), (3),
4	(4), (5), (6), (7), and (8) as paragraphs (10), (7),
5	(4), (3), (8), (5), (2), and (6), respectively.
6	(3) By inserting before paragraph (2) (as redes-
7	ignated by paragraph (2) of this subsection) the fol-
8	lowing:
9	"(1) Indian tribe.—
10	"(A) IN GENERAL.—The term 'Indian
11	tribe' means any Indian tribe, band, nation, or
12	other organized group or community that is rec-
13	ognized as being eligible for special programs
14	and services provided by the United States to
15	Indians because of their status as Indians.
16	"(B) Inclusions.—The term 'Indian
17	tribe' includes an Alaska Native village, as de-
18	fined in or established under the Alaska Native
19	Claims Settlement Act (43 U.S.C. 1601 et
20	seq.); and".
21	(4) By inserting after paragraph (8) (as redes-
22	ignated by paragraph (2) of this subsection) the fol-
23	lowing:
24	"(9) Trust Fund.—The term 'Trust Fund'
25	means the Leaking Underground Storage Tank



1	Trust Fund established by section 9508 of the Inter-
2	nal Revenue Code of 1986.".
3	(b) Conforming Amendments.—The Solid Waste
4	Disposal Act (42 U.S.C. 6901 and following) is amended
5	as follows:
6	(1) Section 9003(f) (42 U.S.C. 6991b(f)) is
7	amended—
8	(A) in paragraph (1), by striking
9	"9001(2)(B)" and inserting "9001(7)(B)"; and
10	(B) in paragraphs (2) and (3), by striking
11	"9001(2)(A)" each place it appears and insert-
12	ing "9001(7)(A)".
13	(2) Section 9003(h) (42 U.S.C. 6991b(h)) is
14	amended in paragraphs (1) , $(2)(C)$, $(7)(A)$, and (11)
15	by striking "Leaking Underground Storage Tank
16	Trust Fund" each place it appears and inserting
17	"Trust Fund".
18	(3) Section 9009 (42 U.S.C. 6991h) is
19	amended—
20	(A) in subsection (a), by striking
21	"9001(2)(B)" and inserting "9001(7)(B)"; and
22	(B) in subsection (d), by striking "section
23	9001(1) (A) and (B)" and inserting "subpara-
24	oraphs (A) and (B) of section 9001(10)"



1	SEC. 1533. TECHNICAL AMENDMENTS.
2	The Solid Waste Disposal Act is amended as follows:
3	(1) Section 9001(4)(A) (42 U.S.C. 6991(4)(A))
4	is amended by striking "sustances" and inserting
5	"substances".
6	(2) Section 9003(f)(1) (42 U.S.C. 6991b(f)(1))
7	is amended by striking "subsection (c) and (d) of
8	this section" and inserting "subsections (c) and
9	(d)".
10	(3) Section 9004(a) (42 U.S.C. 6991c(a)) is
11	amended by striking "in 9001(2) (A) or (B) or
12	both" and inserting "in subparagraph (A) or (B) of
13	section 9001(7)".
14	(4) Section 9005 (42 U.S.C. 6991d) is
15	amended—
16	(A) in subsection (a), by striking "study



taking" and inserting "study, taking";

19

(B) in subsection (b)(1), by striking "relevent" and inserting "relevant"; and

20

(C) in subsection (b)(4), by striking

21

"Evironmental" and inserting "Environ-

22

mental".



Subtitle C—Boutique Fuels

2	SEC.	1531.	REDUCING	THE	PROLIFERATION	OF	BOUTIQUE

2	
3	FUELS.
.)	r Urlio.

4	(a)	TEMPORARY	WAIVERS	During	Supply	EMER-
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- 5 GENCIES.—Section 211(c)(4)(C) of the Clean Air Act (42)
- 6 U.S.C. 7545(c)(4)(C)) is amended by inserting "(i)" after
- 7 "(C)" and by adding the following new clauses at the end
- 8 thereof:
- 9 "(ii) The Administrator may temporarily waive a con-
- 10 trol or prohibition respecting the use of a fuel or fuel addi-
- 11 tive required or regulated by the Administrator pursuant
- 12 to subsection (e), (h), (i), (k), or (m) of this section or
- 13 prescribed in an applicable implementation plan under sec-
- 14 tion 110 approved by the Administrator under clause (i)
- 15 of this subparagraph if, after consultation with, and con-
- 16 currence by, the Secretary of Energy, the Administrator
- 17 determines that—
- 18 "(I) extreme and unusual fuel or fuel additive
- supply circumstances exist in a State or region of
- the Nation which prevent the distribution of an ade-
- quate supply of the fuel or fuel additive to con-
- 22 sumers;
- 23 "(II) such extreme and unusual fuel and fuel
- additive supply circumstances are the result of a
- natural disaster, an Act of God, a pipeline or refin-



1	ery equipment failure, or another event that could
2	not reasonably have been foreseen or prevented and
3	not the lack of prudent planning on the part of the
4	suppliers of the fuel or fuel additive to such State
5	or region; and
6	"(III) it is in the public interest to grant the
7	waiver (for example, when a waiver is necessary to
8	meet projected temporary shortfalls in the supply of
9	the fuel or fuel additive in a State or region of the
10	Nation which cannot otherwise be compensated for).
11	"(iii) If the Administrator makes the determinations
12	required under clause (ii), such a temporary extreme and
13	unusual fuel and fuel additive supply circumstances waiver
14	shall be permitted only if—
15	"(I) the waiver applies to the smallest geo-
16	graphic area necessary to address the extreme and
17	unusual fuel and fuel additive supply circumstances;
18	"(II) the waiver is effective for a period of 20
19	calendar days or, if the Administrator determines
20	that a shorter waiver period is adequate, for the
21	shortest practicable time period necessary to permit
22	the correction of the extreme and unusual fuel and
23	fuel additive supply circumstances and to mitigate
24	impact on air quality;



1	"(III) the waiver permits a transitional period
2	the exact duration of which shall be determined by
3	the Administrator (but which shall be for the short
4	est practicable period), after the termination of the
5	temporary waiver to permit wholesalers and retailers
6	to blend down their wholesale and retail inventory
7	"(IV) the waiver applies to all persons in the
8	motor fuel distribution system; and
9	"(V) the Administrator has given public notice
10	to all parties in the motor fuel distribution system
11	and local and State regulators, in the State or re
12	gion to be covered by the waiver.
13	The term 'motor fuel distribution system' as used in this
14	clause shall be defined by the Administrator through rule
15	making.
16	"(iv) Within 180 days of the date of enactment of
17	this clause, the Administrator shall promulgate regula
18	tions to implement clauses (ii) and (iii).
19	"(v) Nothing in this subparagraph shall—
20	"(I) limit or otherwise affect the application of
21	any other waiver authority of the Administrator pur
22	suant to this section or pursuant to a regulation
23	promulgated pursuant to this section; and
24	"(II) subject any State or person to an enforce

ment action, penalties, or liability solely arising from



- 1 actions taken pursuant to the issuance of a waiver
- 2 under this subparagraph.".
- 3 (b) Limit on Number of Boutique Fuels.—Sec-
- tion 211(c)(4)(C) of the Clean Air Act (42 U.S.C.
- 5 7545(c)(4), as amended by subsection (a), is further
- amended by adding at the end the following: 6
- 7 "(v)(I) The Administrator shall have no authority,
- 8 when considering a State implementation plan or a State
- implementation plan revision, to approve under this para-
- 10 graph any fuel included in such plan or revision if the ef-
- 11 fect of such approval increases the total number of fuels
- 12 approved under this paragraph as of September 1, 2004,
- in all State implementation plans.
- 14 "(II) The Administrator, in consultation with the
- 15 Secretary of Energy, shall determine the total number of
- fuels approved under this paragraph as of September 1, 16
- 2004, in all State implementation plans and shall publish
- a list of such fuels, including the states and Petroleum 18
- Administration for Defense District in which they are 19
- used, in the Federal Register for public review and com-
- 21 ment no later than 90 days after enactment.
- 22 "(III) The Administrator shall remove a fuel from the
- 23 list published under subclause (II) if a fuel ceases to be
- included in a State implementation plan or if a fuel in
- a State implementation plan is identical to a Federal fuel



formulation implemented by the Administrator, but the Administrator shall not reduce the total number of fuels 3 authorized under the list published under subclause (II). 4 "(IV) Subclause (I) shall not limit the Administra-5 tor's authority to approve a control or prohibition respecting any new fuel under this paragraph in a State imple-6 7 mentation plan or revision to a State implementation plan 8 if such new fuel: 9 "(aa) completely replaces a fuel on the list pub-10 lished under subclause (II); or 11 "(bb) does not increase the total number of 12 fuels on the list published under subclause (II) as of 13 September 1, 2004. In the event that the total number of fuels on the list pub-14 15 lished under subclause (II) at the time of the Administrator's consideration of a control or prohibition respecting 16 17 a new fuel is lower than the total number of fuels on such list as of September 1, 2004, the Administrator may ap-18 19 prove a control or prohibition respecting a new fuel under 20 this subclause if the Administrator, after consultation with 21 the Secretary of Energy, publishes in the Federal Register 22 after notice and comment a finding that, in the Adminis-23 trator's judgment, such control or prohibition respecting

a new fuel will not cause fuel supply or distribution inter-



- 1 ruptions or have a significant adverse impact on fuel
- 2 producibility in the affected area or contiguous areas.
- 3 "(V) The Administrator shall have no authority
- 4 under this paragraph, when considering any particular
- 5 State's implementation plan or a revision to that State's
- 6 implementation plan, to approve any fuel unless that fuel
- 7 was, as of the date of such consideration, approved in at
- 8 least one State implementation plan in the applicable Pe-
- 9 troleum Administration for Defense District. However, the
- 10 Administrator may approve as part of a State implementa-
- 11 tion plan or State implementation plan revision a fuel with
- 12 a summertime Reid Vapor Pressure of 7.0 psi. In no event
- 13 shall such approval by the Administrator cause an increase
- 14 in the total number of fuels on the list published under
- 15 subclause (II).
- 16 "(VI) Nothing in this clause shall be construed to
- 17 have any effect regarding any available authority of States
- 18 to require the use of any fuel additive registered in accord-
- 19 ance with subsection (b), including any fuel additive reg-
- 20 istered in accordance with subsection (b) after the enact-
- 21 ment of this subclause.".
- (c) Study and Report to Congress on Bou-
- 23 TIQUE FUELS.—
- 24 (1) Joint Study.—The Administrator of the
- 25 Environmental Protection Agency and the Secretary



shall undertake a study of the effects on air quality,
on the number of fuel blends, on fuel availability, on
fuel fungibility, and on fuel costs of the State plan
provisions adopted pursuant to section 211(c)(4)(C)
of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)).

- (2) Focus of Study.—The primary focus of the study required under paragraph (1) shall be to determine how to develop a Federal fuels system that maximizes motor fuel fungibility and supply, addresses air quality requirements, and reduces motor fuel price volatility including that which has resulted from the proliferation of boutique fuels, and to recommend to Congress such legislative changes as are necessary to implement such a system. The study should include the impacts on overall energy supply, distribution, and use as a result of the legislative changes recommended.
- (3) CONDUCT OF STUDY.—In carrying out their joint duties under this section, the Administrator and the Secretary shall use sound science and objective science practices, shall consider the best available science, shall use data collected by accepted means and shall consider and include a description of the weight of the scientific evidence. The Administrator and the Secretary shall coordinate the study



	required	by	this	section	with	other	studies	required
2	by the ac	et.						

- (4) Responsibility of administrator.—In carrying out the study required by this section, the Administrator shall coordinate obtaining comments from affected parties interested in the air quality impact assessment portion of the study.
- (5) RESPONSIBILITY OF SECRETARY.—In carrying out the study required by this section, the Secretary shall coordinate obtaining comments from affected parties interested in the fuel availability, number of fuel blends, fuel fungibility and fuel costs portion of the study.
- (6) Report to congress.—The Administrator and the Secretary jointly shall submit the results of the study required by this section in a report to the Congress not later than 12 months after the date of the enactment of this Act, together with any recommended regulatory and legislative changes. Such report shall be submitted to the Committee on Energy and Commerce of the United States House of Representatives and the Committees on Energy and Natural Resources and on Environment and Public Works of the United States Senate.



1	(7) Authorization of appropriations.—							
2	There is authorized to be appropriated jointly to the							
3	Administrator and the Secretary \$500,000 for the							
4	completion of the study required under this sub-							
5	section.							
6	(d) Definitions.—In this section:							
7	(1) The term "Administrator" means the Ad-							
8	ministrator of the Environmental Protection Agency							
9	(2) The term "fuel" means gasoline, diesel fuel,							
10	and any other liquid petroleum product commercially							
11	known as gasoline and diesel fuel for use in highway							
12	and nonroad motor vehicles.							
13	(3) The term "a control or prohibition respect-							
14	ing a new fuel" means a control or prohibition on							
15	the formulation, composition, or emissions character-							
16	istics of a fuel that would require the increase or de-							

crease of a constituent in gasoline or diesel fuel.

