

110TH CONGRESS
2D SESSION

H. R. 5917

To provide for the coordination of efforts in the development of viable efficient alternative fuel technologies.

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 2008

Mr. KNOLLENBERG (for himself, Mr. UPTON, Mr. ROGERS of Michigan, and Mr. MCCOTTER) introduced the following bill; which was referred to the Committee on Science and Technology, and in addition to the Committees on Ways and Means, Oversight and Government Reform, Energy and Commerce, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for the coordination of efforts in the development of viable efficient alternative fuel technologies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “New Bridging Industry
5 and Government Through Hi-Tech Research on Energy
6 Efficiency Act of 2008”.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) Congress enacted legislation to dramatically
4 increase Corporate Average Fuel Economy standards
5 (hereafter in this section referred to as “CAFE
6 standards”), mandating a fleet-wide fuel economy of
7 35 miles per gallon by 2020.

8 (2) The new CAFE standards represent a 27
9 percent increase over current CAFE standards.

10 (3) The new CAFE standards require Chrysler,
11 Ford, and General Motors to increase their research
12 and development investments at an estimated cost of
13 \$85,000,000,000.

14 (4) Chrysler, Ford, and General Motors cur-
15 rently invest a total of approximately
16 \$16,000,000,000 each year to research and develop
17 safer, more efficient, and alternatively fueled auto-
18 mobiles.

19 (5) Chrysler, Ford, and General Motors employ
20 more than 65,000 Americans to research and de-
21 velop new technologies.

22 (6) These required investments will place a
23 large cost burden on an already struggling industry,
24 representing an estimated additional \$7,000,000,000
25 per year above current research and development in-
26 vestments.

1 (7) Investments of finite funds in new energy
2 efficiency initiatives should not detract from current
3 investments in improved vehicle safety technology.

4 (8) Energy availability is a national security
5 issue of the utmost importance.

6 (9) A significant portion of United States en-
7 ergy use comes from imported petroleum products
8 from unstable regions.

9 (10) Clean diesel technology is a more efficient
10 way to utilize petroleum products to reduce emis-
11 sions in the short-term while alternative energy
12 sources are developed.

13 (11) Harmonization of biodiesel composition
14 standards will enable more widespread use of clean
15 diesel technology throughout the country.

16 (12) Electric vehicle propulsion can help reduce
17 dependence on petroleum-based energy.

18 (13) Energy storage is critical in making elec-
19 tric vehicles commercially viable.

20 (14) Technical challenges remain before ade-
21 quate energy storage for electric vehicles becomes a
22 reality.

23 (15) There is no current domestic production of
24 advanced battery technology applicable to hybrid or
25 electric vehicles.

1 (16) Domestic research, development, dem-
2 onstration, and production of advanced battery and
3 electric vehicle technology will create many high-pay-
4 ing jobs.

5 (17) Hydrogen fuel cell vehicles represent the
6 long-term goal of nearly emission-free transpor-
7 tation.

8 (18) Increased availability of hydrogen fuel is
9 crucial to increase the viability of leap-ahead hydro-
10 gen vehicle technology.

11 (19) The United States Government currently
12 invests Federal funds across numerous agencies into
13 research and development of advanced fuel and effi-
14 ciency enhancing technology, spending approximately
15 \$400,000,000 in fiscal year 2007 and approximately
16 \$1,100,000,000 in fiscal year 2008.

17 (20) Expanding and coordinating these cur-
18 rently disparate efforts would yield greater gains in
19 the development of viable efficient alternative fuel
20 technologies.

21 (21) The Federal Government can and should
22 concert its efforts in order to adequately provide re-
23 lief from the large cost burden placed on the auto
24 industry by requiring extensive research and devel-
25 opment of advanced technology.

1 **SEC. 3. ADVANCED BATTERY RESEARCH AND DEVELOP-**
2 **MENT.**

3 (a) DEFINITION.—For purposes of this section, the
4 term “battery” means an electrochemical energy storage
5 system powered directly by electrical current.

6 (b) RESEARCH AND DEVELOPMENT GRANT PRO-
7 GRAM.—

8 (1) IN GENERAL.—The Secretary of Energy
9 shall establish a program for making grants to Na-
10 tional Laboratories and institutions of higher edu-
11 cation for research, development, and demonstration
12 of high-efficiency advanced battery technologies.

13 Such grants may be used for—

14 (A) exploratory research;

15 (B) battery system development;

16 (C) vehicle technology demonstration and
17 validation; and

18 (D) United States advanced battery pro-
19 duction capability development.

20 (2) PRIORITY CONSIDERATION.—In awarding
21 grants under this section, the Secretary of Energy
22 shall give priority consideration to National Labora-
23 tories and institutions of higher education that part-
24 ner with original equipment manufacturers of vehi-
25 cles that will use the high-efficiency advanced bat-

1 tery technologies being researched, developed, or
2 demonstrated.

3 (c) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to the Secretary of En-
5 ergy for carrying out this section \$150,000,000 for each
6 of the fiscal years 2009 through 2013.

7 **SEC. 4. RESEARCH AND DEVELOPMENT TAX CREDIT.**

8 (a) PERMANENT EXTENSION.—Section 41 of the In-
9 ternal Revenue Code of 1986 (relating to credit for in-
10 creasing research activities) is amended by striking sub-
11 section (h).

12 (b) REFUNDABILITY.—Section 41 of such Code, as
13 amended by subsection (a), is amended by adding at the
14 end the following new subsection:

15 “(h) PORTION OF CREDIT TREATED AS REFUND-
16 ABLE.—

17 “(1) IN GENERAL.—For purposes of this title,
18 so much of the credit which would be allowed under
19 this section for any taxable year (determined without
20 regard to this subsection) that is attributable to ex-
21 penditures for technology designed to meet Cor-
22 porate Average Fuel Economy standards shall be
23 treated as allowed under subpart C and not under
24 this section.

1 “(2) SPECIAL RULE FOR PARTNERSHIPS.—In
2 the case of a partnership that elects to have this
3 subsection apply—

4 “(A) paragraph (1) shall apply at the part-
5 nership level (and not at the partner level),

6 “(B) the amount of the credit determined
7 under paragraph (1) shall be treated as an
8 overpayment of tax,

9 “(C) the partnership shall be treated as
10 the person who made the overpayment of tax,
11 and the Secretary shall refund the amount of
12 such overpayment to the partnership, and

13 “(D) the amount of credits under this sec-
14 tion that would otherwise be separately stated
15 to the partners of the partnership pursuant to
16 section 702(a) shall be reduced by the amount
17 determined under paragraph (1).”.

18 (c) CONFORMING AMENDMENT.—Section 45C(b)(1)
19 of such Code is amended by striking subparagraph (D).

20 (d) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to amounts paid or incurred after
22 December 31, 2007.

23 **SEC. 5. INTERAGENCY GROUP ON CAFE STANDARDS.**

24 (a) ESTABLISHMENT AND MEMBERSHIP.—

1 (1) IN GENERAL.—There is established an
2 Interagency Working Group on Corporate Average
3 Fuel Economy Standards comprised of 1 representa-
4 tive of the following:

5 (A) the Departments of Agriculture, Com-
6 merce, Defense, Energy, Interior, Labor, and
7 Transportation, appointed by the respective
8 Secretaries of such Departments;

9 (B) the Environmental Protection Agency,
10 appointed by the Administrator of such agency;

11 (C) the National Science Foundation and
12 the Office of Management and Budget, ap-
13 pointed by the respective Directors of such
14 agencies;

15 (D) 3 representatives of the automobile
16 manufacturing industry, appointed by the
17 President; and

18 (E) members representing such additional
19 Federal agencies as the President shall appoint.

20 (2) CHAIRPERSON.—The Interagency Working
21 Group established under subsection (a)(1) shall be
22 chaired by the representative of the Department of
23 Defense, the Department of Energy, the Department
24 of Transportation, the Department of Commerce, or
25 the Environmental Protection Agency, as determined

1 by the membership. The chairperson shall serve for
2 a term of 1 year.

3 (b) PURPOSE AND DUTIES.—

4 (1) PURPOSE.—The purpose of the Interagency
5 Working Group is to ensure Federal agencies' work
6 to research and develop advanced fuel technology is
7 coordinated and concerted in order to increase vehi-
8 cle fuel efficiency and reduce emissions.

9 (2) DUTIES.—The Interagency Working Group
10 established under subsection (a)(1) shall—

11 (A) meet not less than 4 times annually to
12 examine the status of efforts by auto companies
13 to meet the corporate automobile fuel economy
14 standards required under section 32902 of title
15 49, United States Code;

16 (B) propose policy recommendations for
17 solutions to meet such standards;

18 (C) formulate a recommended budget for
19 all Federal spending on research and develop-
20 ment of advanced fuel technologies and submit
21 such recommended budget to the President and
22 to Congress;

23 (D) review agency priorities and technical
24 issues for Federally funded technology research
25 and development;

1 (E) promote communications among the
2 government, private sector, and academia on re-
3 search and development requirements and pro-
4 grams; and

5 (F) submit a report of its activities to Con-
6 gress annually.

7 **SEC. 6. HARMONIZATION OF BIOFUELS PRODUCTION**
8 **STANDARDS.**

9 (a) IN GENERAL.—The Administrator of the Envi-
10 ronmental Protection Agency shall work with national and
11 international standard setting organizations, along with
12 other government organizations, to harmonize standards
13 for the production of biofuels from a variety of feedstocks
14 and the blending of such fuels with petroleum-based fuels
15 at various concentrations.

16 (b) ANNUAL REPORT.—Not later than 1 year after
17 the date of enactment of this Act, and annually thereafter,
18 the Administrator of the Environmental Protection Agen-
19 cy shall transmit to the Congress a report on progress
20 made under subsection (a).

21 **SEC. 7. HYDROGEN FUELING PUMPS.**

22 (a) GRANT PROGRAM.—The Secretary of Transpor-
23 tation shall establish a program for making grants with
24 the goal of establishing at least 100 publicly available hy-

1 drogen fueling pumps at retail gas stations by 2013 in
2 at least 2 selected regions.

3 (b) **REQUIRED CONTRIBUTION.**—As a condition of
4 receiving a grant under subsection (a), the owner or oper-
5 ator of a gas station shall be required to contribute, or
6 obtain funding from a State or local government entity
7 for, at least 10 percent of the cost of the hydrogen fueling
8 pump.

9 (c) **AUTHORIZATION OF APPROPRIATIONS.**—There
10 are authorized to be appropriated to the Secretary of
11 Transportation for carrying out this section \$50,000,000
12 for each of the fiscal years 2009 through 2013.

13 **SEC. 8. FEDERAL ACQUISITION OF HYDROGEN FUEL CELL**
14 **VEHICLES.**

15 There are authorized to be appropriated to the Ad-
16 ministrator of the General Services Administration for the
17 acquisition of hydrogen fuel cell vehicles for use by Federal
18 agencies \$50,000,000 for each of the fiscal years 2012
19 through 2014.

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