

114TH CONGRESS  
1ST SESSION

# H. R. 1944

To provide regulatory relief to alternative fuel producers and consumers,  
and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 22, 2015

Mr. BLUM (for himself, Mr. BUCK, Mr. YOUNG of Iowa, and Mr. PETERSON) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, 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

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## A BILL

To provide regulatory relief to alternative fuel producers  
and consumers, and for other purposes.

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 “Fuel Choice and De-  
5 regulation Act of 2015”.

6 **SEC. 2. ALTERNATIVE FUELS.**

7 (a) **AFTERMARKET CONVERSIONS OF MOTOR VEHI-**  
8 **CLES TO ALTERNATIVE FUEL.**—Section 203 of the Clean

1 Air Act (42 U.S.C. 7522) is amended by adding at the  
2 end the following:

3 “(c) OLDER VEHICLES.—

4 “(1) IN GENERAL.—The aftermarket conversion  
5 of a vehicle to alternative fuel operation shall not—

6 “(A) be considered tampering under this  
7 section if the aftermarket conversion system  
8 manufacturer or the person performing the con-  
9 version is able to demonstrate that the develop-  
10 ment and engineering sophistication of the con-  
11 version technology is—

12 “(i) matched to an appropriate vehicle  
13 or group of vehicles; and

14 “(ii) well-designed and installed in ac-  
15 cordance with good engineering judgment  
16 so that the aftermarket conversion system  
17 does not degrade emission performance, as  
18 compared to the performance of the vehicle  
19 or vehicles before the conversion; or

20 “(B) require the issuance by the Adminis-  
21 trator of any certificate of conformity.

22 “(2) LABEL.—The person performing a conver-  
23 sion described in paragraph (1) shall affix a label to  
24 the motor vehicle stating that—

1           “(A) the vehicle has been equipped with an  
2           aftermarket conversion system; and

3           “(B) the installation of that system oc-  
4           curred after the initial sale of the vehicle.

5           “(3) NO PRECLUSION OF ORDERS.—Nothing in  
6           this subsection may be construed to preclude the Ad-  
7           ministrator from issuing an order to prohibit the  
8           manufacture, sale, distribution, or installation of an  
9           aftermarket conversion system if the Administrator  
10          has evidence that the installation of the aftermarket  
11          conversion system on a vehicle degrades emission  
12          performance.”.

13          (b) BIOMASS FUELS.—Section 211 of the Clean Air  
14          Act (42 U.S.C. 7545) is amended by adding at the end  
15          the following:

16          “(w) BIOMASS FUELS.—Notwithstanding any other  
17          provision of this Act, the Administrator may not prohibit  
18          or control biomass fuel (as defined in section 203 of the  
19          Biomass Energy and Alcohol Fuels Act of 1980 (42  
20          U.S.C. 8802)) under this Act.”.

21          **SEC. 3. CALCULATION OF AVERAGE FUEL ECONOMY.**

22          (a) DEFINITIONS.—Section 32901(a) of title 49,  
23          United States Code, is amended—

24                  (1) by redesignating paragraphs (13) through  
25                  (19) as paragraphs (19) through (26);

1           (2) by redesignating paragraphs (11) and (12)  
2 as paragraphs (16) and (17), respectively;

3           (3) by redesignating paragraph (10) as para-  
4 graph (13);

5           (4) by redesignating paragraphs (7), (8), and  
6 (9) as paragraphs (8), (9), and (10), respectively;

7           (5) by inserting after paragraph (6) the fol-  
8 lowing:

9           “(7) ‘biodiesel’—

10           “(A) means liquid fuel derived from bio-  
11 mass that meets—

12           “(i) the registration requirements for  
13 fuels and fuel additives established by the  
14 Environmental Protection Agency under  
15 section 211 of the Clean Air Act (42  
16 U.S.C. 7545); and

17           “(ii) the requirements of the ASTM  
18 Standard D6751; and

19           “(B) does not include any liquid with re-  
20 spect to which a credit may be determined  
21 under section 40 of the Internal Revenue Code  
22 of 1986.”;

23           (6) by inserting after paragraph (10), as redес-  
24 igned, the following:

25           “(11) ‘E85’ means a fuel mixture that—

1           “(A) contains between 51 and 83 percent  
2 ethanol; and

3           “(B) meets the specifications of the ASTM  
4 Standard D5798.

5           “(12) ‘flexible fuel vehicle’ means a vehicle that  
6 has been warranted to operate on gasoline, E85, and  
7 M85.”;

8           (7) by inserting after paragraph (13), as reded-  
9 igned, the following:

10           “(14) ‘fuel choice enabling manufacturer’  
11 means a manufacturer whose total fleet of auto-  
12 mobiles manufactured for the most recent model  
13 year for sale in the United States contains at least  
14 50 percent fuel choice enabling vehicles.

15           “(15) ‘fuel choice enabling vehicle’ means an  
16 automobile that—

17           “(A) has been warranted to operate on  
18 natural gas, hydrogen, propane, or at least 20  
19 percent biodiesel;

20           “(B) is a flexible fuel vehicle;

21           “(C) is a plug-in electric drive vehicle;

22           “(D) is propelled by a fuel cell that can  
23 produce power without the use of petroleum or  
24 a petroleum-based fuel; or

1           “(E)(i) is propelled by something other  
2           than an internal combustion engine; and

3           “(ii) is warranted to operate on something  
4           other than petroleum-based fuel.”;

5           (8) by inserting after paragraph (17), as reded-  
6           ignated, the following:

7           “(18) ‘M85’ means a fuel mixture that—

8           “(A) contains up to 85 percent methanol;  
9           and

10           “(B) meets the specifications of the ASTM  
11           International Standard D5797.”; and

12           (9) by inserting after paragraph (25), as reded-  
13           ignated, the following:

14           “(26) ‘plug-in electric drive vehicle’ has the  
15           meaning given such term in section 508(a) of the  
16           Energy Policy Act of 1992 (42 U.S.C. 13258(a)).”.

17           (b) FUEL CHOICE ENABLING MANUFACTURERS.—  
18           Chapter 329 of title 49, United States Code, is amended—

19           (1) in section 32902, by adding at the end the  
20           following:

21           “(l) DEEMED COMPLIANCE WITH THE CLEAN AIR  
22           ACT.—If a fuel choice enabling manufacturer is in compli-  
23           ance with all applicable standards prescribed under this  
24           section for model year 2016 or any subsequent model year,  
25           the automobiles manufactured by such manufacturer in

1 such model year are deemed to be in compliance with all  
2 applicable greenhouse gas regulations established by the  
3 Environmental Protection Agency pursuant to section 202  
4 of the Clean Air Act (42 U.S.C. 7521).”;

5 (2) in section 32903(a), by amending para-  
6 graph (2) to read as follows:

7 “(2) any of the 5 consecutive model years im-  
8 mediately after the model year for which the credits  
9 are earned, to the extent that such credits are not  
10 used under paragraph (1);” and

11 (3) in section 32904—

12 (A) by redesignating subsections (d) and  
13 (e) as subsections (e) and (f), respectively; and

14 (B) by inserting after subsection (c) the  
15 following:

16 “(d) AVERAGE FUEL ECONOMY BONUS FOR FUEL  
17 CHOICE ENABLING MANUFACTURERS.—The average fuel  
18 economy of a fuel choice enabling manufacturer for a  
19 model year is the sum of—

20 “(1) the average fuel economy of such manufac-  
21 turer for such model year, as otherwise calculated  
22 pursuant to this section; and

23 “(2) 8 miles per gallon.”.

24 (e) EFFECTIVE DATE.—The amendments made by  
25 this section shall apply with respect to automobiles manu-

1 factured for model year 2016 or for any subsequent model  
2 year.

3 **SEC. 4. EQUALIZATION OF EXCISE TAX ON LIQUEFIED NAT-**  
4 **URAL GAS AND PER ENERGY EQUIVALENT OF**  
5 **DIESEL.**

6 (a) IN GENERAL.—Section 4041(a)(2) of the Internal  
7 Revenue Code of 1986 is amended—

8 (1) in subparagraph (B)—

9 (A) in clause (i), by striking “and” at the  
10 end;

11 (B) in clause (ii)—

12 (i) by striking “liquefied natural  
13 gas,”;

14 (ii) by striking “peat), and” and in-  
15 serting “peat) and”;

16 (iii) by striking the period at the end  
17 and inserting “, and”;

18 (C) by adding at the end the following new  
19 clause:

20 “(iii) in the case of liquefied natural  
21 gas, 24.3 cents per energy equivalent of a  
22 gallon of diesel.”;

23 (2) by adding at the end the following:

24 “(C) ENERGY EQUIVALENT OF A GALLON  
25 OF DIESEL.—For purposes of this paragraph,

1 the term ‘energy equivalent of a gallon of diesel’  
2 means, with respect to a liquefied natural gas  
3 fuel, the amount of such fuel having a Btu con-  
4 tent of 128,700 (lower heating value).

5 “(D) ADMINISTRATIVE PROVISIONS.—For  
6 purposes of applying this title with respect to  
7 the taxes imposed by this subsection, references  
8 to any liquid subject to tax under this sub-  
9 section shall be treated as including references  
10 to liquefied natural gas subject to tax under  
11 this paragraph.”.

12 (b) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to any sale or use of liquefied nat-  
14 ural gas after the date that is 14 days after the date of  
15 the enactment of this Act.

16 **SEC. 5. ETHANOL WAIVER.**

17 Section 211(h)(4) of the Clean Air Act (42 U.S.C.  
18 7545(h)(4)) is amended—

19 (1) in the matter preceding subparagraph (A),  
20 by inserting “or more” after “10 percent”; and

21 (2) in subparagraph (C), by striking “additional  
22 alcohol or”.

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