116TH CONGRESS  2D SESSION

H. R. ______

To amend title 23, United States Code, to aid States in the deployment of fueling infrastructure to increase the use of higher blends of biofuels, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Ms. FINKENAUER introduced the following bill; which was referred to the Committee on ____________________________

A BILL

To amend title 23, United States Code, to aid States in the deployment of fueling infrastructure to increase the use of higher blends of biofuels, 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 “Clean Fuels Deploy-
5  ment Act of 2020”.

(Original Signature of Member)
SEC. 2. GRANTS FOR DEPLOYMENT OF FUELING INFRASTRUCTURE TO INCREASE THE USE OF HIGHER BLENDS OF BIOFUELS.

(a) FINDINGS.—Congress finds the following:

(1) According to the Energy Information Administration, United States fuel consumption reached a new record high in 2018, breaking the previous record from 2007.

(2) Biofuels are an immediately available path toward decarbonizing the transportation sector while lowering fuel prices, driving economic growth, and creating jobs.

(3) Ninety-eight percent of the gasoline sold in the United States already uses a 10 percent ethanol blend, E10.

(4) E15 has been approved since 2011 for any car or light truck model year 2001 or later, and as of January 2020, it is sold at 2081 locations in 30 States primarily at independently owned gas stations.

(5) On May 30, 2019, the Environmental Protection Agency issued a final rule titled “Modifications to Fuel Regulations to Provide Flexibility for E15 and to Elements of the Renewable Identification Number Compliance System” to permit year-round sale of E15.
(6) E15 is dispensed using blender pumps or dedicated E15 pumps.

(7) In addition to flex-fuel infrastructure to dispense E85, all major United States pump manufacturers offer pumps certified for blends up to 25 percent ethanol.

(8) Pilot programs have demonstrated that public-private partnerships increase the installation rate of fueling infrastructure for higher blends of ethanol, with the USDA Biofuel Infrastructure Partnership delivering $100,000,000 to 21 States to assist 1486 stations install 4880 pumps and 515 tanks.

(9) The United States has used more than 2.6 billion gallons of biomass-based diesel each year since 2016 for on-road transport, heating applications, and jet fuel.

(10) Nearly all United States diesel engine original equipment manufacturers approve the use of biodiesel blends up to B20 and renewable diesel up to 100 percent.

(11) Multiple States have enacted or are poised to adopt requirements and incentives for blending biodiesel and renewable diesel into distillate fuels for transportation and heating.
(12) The greatest barriers to biodiesel distribution are at the terminal and pipeline terminal level, as well as rail to reach distribution centers. Incentivizing terminals would make fuel widely available and would be helpful for a larger penetration of biodiesel.

(13) Investment will accelerate the increased use of higher blends of biofuels and quickly cut greenhouse gas emissions while lowering gas prices and driving economic growth.

SEC. 3. CLEAN FUELS GRANT PROGRAM.

(a) In General.—Chapter 2 of title 23, United States Code, is amended by adding at the end the following:

“§ 219. Clean fuels grant program

“(a) Establishment.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall establish a grant program to award grants to eligible entities to carry out the activities described in subsection (d).

“(b) Eligible Entities.—An entity eligible to receive a grant under this subsection is—

“(1) a State, locality, or territory;

“(2) a Tribal government;
“(3) an authority, agency, partnership, or instrumentality of an entity described in paragraph (1) or (2); or
“(4) a group of entities described in paragraphs (1) through (3).
“(e) ELIGIBILITY CRITERIA.—In selecting entities to receive a grant under this section, the Secretary shall consider the extent to which the application of the entity proposes to—
“(1) convert existing pump infrastructure to deliver ethanol blends with greater than 10 percent ethanol;
“(2) diversify the geographic area selling ethanol blends with greater than 10 percent ethanol;
“(3) support existing or emerging biodiesel, bioheat and sustainable aviation fuel markets that have existing incentives;
“(4) increase the use of existing fuel delivery infrastructure;
“(5) enable or accelerate the deployment of fueling infrastructure that would be unlikely to be completed without Federal assistance; and
“(6) build and retrofit traditional and pipeline terminals to blend biodiesel and pipelines to carry ethanol and biodiesel.
“(d) ELIGIBLE USE.—An entity receiving a grant under this section may use the grant funds—

“(1) to distribute to private or public entities for costs related to incentivizing deployment of fueling infrastructure;

“(2) for the conversion of existing pump infrastructure to deliver ethanol blends greater than 10 percent and biodiesel blends greater than 20 percent;

“(3) for installation of fuel pumps and related infrastructure dedicated to the distribution of higher ethanol blends (including E15 and E85) and higher biodiesel blends up to B100 at fueling locations, including local fueling stations, convenience stores, hypermarket fueling stations, and fleet facilities; and

“(4) to build and retrofit traditional and pipeline terminals (including rail lines) to blend biodiesel and pipelines to carry ethanol and biodiesel.

“(e) CERTIFICATION REQUIREMENT.—Any infrastructure used or installed with funds provided under this section shall be certified by the Underwriters Laboratory to distribute blends with an ethanol content of 25 percent or greater.

“(f) FUNDING.—
(1) Federal Project Share.—The Federal share of the total cost of carrying out a project under this section shall not exceed 80 percent.

(2) Maximum Percentage for Certain Activities.—An entity receiving a grant under this section shall ensure that Federal funds do not exceed—

(A) 75 percent of the per pump cost for—

(i) pumps that can dispense a range of ethanol blends up to and including E85 (new pumps or retrofit of existing pumps); and

(ii) dedicated E15 or E85 pumps (new pumps or retrofit of existing pumps);

(B) 50 percent of the terminal cost for terminals with B100 capabilities; and

(C) 25 percent of the per tank cost for new storage tanks and related equipment associated with new facilities or additional capacity other than replacement.

(g) Authorization of Appropriations.—There are authorized to be appropriated $100,000,000 for each of the fiscal years 2021 through 2026 to carry out this Act.”.
(b) CLERICAL AMENDMENT.—The analysis for chapter 2 of title 23, United States Code, is amended by adding at the end the following:

“219. Clean fuels grant program.”.