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(Original Signature of Member)

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”.

1 **SEC. 2. GRANTS FOR DEPLOYMENT OF FUELING INFRA-**
2 **STRUCTURE TO INCREASE THE USE OF HIGH-**
3 **ER BLENDS OF BIOFUELS.**

4 (a) FINDINGS.—Congress finds the following:

5 (1) According to the Energy Information Ad-
6 ministration, United States fuel consumption
7 reached a new record high in 2018, breaking the
8 previous record from 2007.

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

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

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

21 (5) On May 30, 2019, the Environmental Pro-
22 tection Agency issued a final rule titled “Modifica-
23 tions to Fuel Regulations to Provide Flexibility for
24 E15 and to Elements of the Renewable Identifica-
25 tion Number Compliance System” to permit year-
26 round sale of E15.

1 (6) E15 is dispensed using blender pumps or
2 dedicated E15 pumps.

3 (7) In addition to flex-fuel infrastructure to dis-
4 pense E85, all major United States pump manufac-
5 turers offer pumps certified for blends up to 25 per-
6 cent ethanol.

7 (8) Pilot programs have demonstrated that pub-
8 lic-private partnerships increase the installation rate
9 of fueling infrastructure for higher blends of eth-
10 anol, with the USDA Biofuel Infrastructure Part-
11 nership delivering \$100,000,000 to 21 States to as-
12 sist 1486 stations install 4880 pumps and 515
13 tanks.

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

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

22 (11) Multiple States have enacted or are poised
23 to adopt requirements and incentives for blending
24 biodiesel and renewable diesel into distillate fuels for
25 transportation and heating.

1 (12) The greatest barriers to biodiesel distribu-
2 tion are at the terminal and pipeline terminal level,
3 as well as rail to reach distribution centers.
4 Incentivizing terminals would make fuel widely avail-
5 able and would be helpful for a larger penetration of
6 biodiesel.

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

11 **SEC. 3. CLEAN FUELS GRANT PROGRAM.**

12 (a) IN GENERAL.—Chapter 2 of title 23, United
13 States Code, is amended by adding at the end the fol-
14 lowing:

15 **“§ 219. Clean fuels grant program**

16 “(a) ESTABLISHMENT.—Not later than 1 year after
17 the date of enactment of this Act, the Secretary of Trans-
18 portation shall establish a grant program to award grants
19 to eligible entities to carry out the activities described in
20 subsection (d).

21 “(b) ELIGIBLE ENTITIES.—An entity eligible to re-
22 ceive a grant under this subsection is—

23 “(1) a State, locality, or territory;

24 “(2) a Tribal government;

1 “(3) an authority, agency, partnership, or in-
2 strumentality of an entity described in paragraph
3 (1) or (2); or

4 “(4) a group of entities described in paragraphs
5 (1) through (3).

6 “(c) ELIGIBILITY CRITERIA.—In selecting entities to
7 receive a grant under this section, the Secretary shall con-
8 sider the extent to which the application of the entity pro-
9 poses to—

10 “(1) convert existing pump infrastructure to de-
11 liver ethanol blends with greater than 10 percent
12 ethanol;

13 “(2) diversify the geographic area selling eth-
14 anol blends with greater than 10 percent ethanol;

15 “(3) support existing or emerging biodiesel,
16 bioheat and sustainable aviation fuel markets that
17 have existing incentives;

18 “(4) increase the use of existing fuel delivery
19 infrastructure;

20 “(5) enable or accelerate the deployment of
21 fueling infrastructure that would be unlikely to be
22 completed without Federal assistance; and

23 “(6) build and retrofit traditional and pipeline
24 terminals to blend biodiesel and pipelines to carry
25 ethanol and biodiesel.

1 “(d) ELIGIBLE USE.—An entity receiving a grant
2 under this section may use the grant funds—

3 “(1) to distribute to private or public entities
4 for costs related to incentivizing deployment of fuel-
5 ing infrastructure;

6 “(2) for the conversion of existing pump infra-
7 structure to deliver ethanol blends greater than 10
8 percent and biodiesel blends greater than 20 per-
9 cent;

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

16 “(4) to build and retrofit traditional and pipe-
17 line terminals (including rail lines) to blend biodiesel
18 and pipelines to carry ethanol and biodiesel.

19 “(e) CERTIFICATION REQUIREMENT.—Any infra-
20 structure used or installed with funds provided under this
21 section shall be certified by the Underwriters Laboratory
22 to distribute blends with an ethanol content of 25 percent
23 or greater.

24 “(f) FUNDING.—

1 “(1) FEDERAL PROJECT SHARE.—The Federal
2 share of the total cost of carrying out a project
3 under this section shall not exceed 80 percent.

4 “(2) MAXIMUM PERCENTAGE FOR CERTAIN AC-
5 TIVITIES.—An entity receiving a grant under this
6 section shall ensure that Federal funds do not ex-
7 ceed—

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

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

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

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

18 “(C) 25 percent of the per tank cost for
19 new storage tanks and related equipment asso-
20 ciated with new facilities or additional capacity
21 other than replacement.

22 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated \$100,000,000 for each
24 of the fiscal years 2021 through 2026 to carry out this
25 Act.”.

1 (b) CLERICAL AMENDMENT.—The analysis for chap-
2 ter 2 of title 23, United States Code, is amended by add-
3 ing at the end the following:

“219. Clean fuels grant program.”.