

112TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To amend the Clean Air Act to define next generation biofuel, and to allow States the option of not participating in the corn ethanol portions of the renewable fuel standard due to conflicts with agricultural, economic, energy, or environmental goals.

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IN THE SENATE OF THE UNITED STATES

Mr. INHOFE (for himself and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Clean Air Act to define next generation biofuel, and to allow States the option of not participating in the corn ethanol portions of the renewable fuel standard due to conflicts with agricultural, economic, energy, or environmental goals.

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. NEXT GENERATION BIOFUEL.**

4 (a) DEFINITIONS.—Section 211(o)(1) of the Clean  
5 Air Act (42 U.S.C. 7545(o)(1)) is amended—

6 (1) by redesignating subparagraphs (E), (F),  
7 (G), and (H) as subparagraphs (H), (E), (F), (G),



1 (III) in the heading of the right  
2 column, by striking “**cellulosic**”  
3 and inserting “**next generation**”;

4 (ii) in clause (ii)(III), by striking “cel-  
5 lulosic” and inserting “next generation”;

6 and

7 (iii) in clause (iv)—

8 (I) in the clause heading, by  
9 striking “CELLULOSIC” and inserting  
10 “NEXT GENERATION”; and

11 (II) by striking “cellulosic” and  
12 inserting “next generation”;

13 (2) in paragraphs (3)(A), (4)(A), and (4)(B),  
14 by striking “cellulosic” each place it appears and in-  
15 serting “next generation”; and

16 (3) in paragraph (7)(D)—

17 (A) in the subparagraph heading, by strik-  
18 ing “CELLULOSIC” and inserting “NEXT GEN-  
19 ERATION”; and

20 (B) by striking “cellulosic” each place it  
21 appears and inserting “next generation”.

1 **SEC. 2. STATE OPTION OF NON-PARTICIPATION IN RENEW-**  
2 **ABLE FUEL STANDARD.**

3 Section 211(o)(2)(B) of the Clean Air Act (42 U.S.C.  
4 7545(o)(2)(B)) is amended by adding at the end the fol-  
5 lowing:

6 “(vi) ELECTION OF NON-PARTICIPA-  
7 TION BY STATE GOVERNMENT.—

8 “(I) IN GENERAL.—For purposes  
9 of subparagraph (A), the applicable  
10 volume of renewable fuel as deter-  
11 mined under this subparagraph shall  
12 be adjusted in accordance with this  
13 clause.

14 “(II) REQUIREMENTS.—On pas-  
15 sage by a State legislature and signa-  
16 ture by the Governor of the State of  
17 a law that elects to not participate in  
18 the applicable volume of renewable  
19 fuel in accordance with this clause,  
20 the Administrator shall allow a State  
21 to not participate in the applicable  
22 volume of renewable fuel determined  
23 under subclause (I) of clause (i), other  
24 than the applicable volumes of renew-  
25 able fuel required under subclauses  
26 (II), (III), and (IV) of that clause.

1                   “(III) REDUCTION.—On the elec-  
2                   tion of a State under subclause (II),  
3                   the Administrator shall reduce the ap-  
4                   plicable volume of renewable fuel de-  
5                   termined under clause (i)(I) by the  
6                   percentage that reflects the national  
7                   gasoline consumption of the non-par-  
8                   ticipating State that is attributable to  
9                   that State.

10                   “(IV) CREDITS TO HOLD FUEL  
11                   SALES HARMLESS.—On the election of  
12                   a State under subclause (II), the Ad-  
13                   ministrator shall provide for the gen-  
14                   eration of credits for all gasoline (re-  
15                   gardless of whether the gasoline is  
16                   blended) provided through a fuel ter-  
17                   minal in the State to be calculated as  
18                   though the gasoline were blended with  
19                   the maximum allowable ethanol con-  
20                   tent of gasoline allowed in that State  
21                   to apply toward the applicable volume  
22                   of renewable fuel determined under  
23                   clause (i)(I).”.