Subtitle C—Transportation Efficiency

SEC. 221. EMISSIONS STANDARDS.

Title VIII of the Clean Air Act, as added by section 331 of this Act, is amended by inserting after part A the following new part:

"PART B—MOBILE SOURCES

"SEC. 821. GREENHOUSE GAS EMISSION STANDARDS FOR MOBILE SOURCES.

"(a) NEW MOTOR VEHICLES AND NEW MOTOR VEHICLE ENGINES.—(1) Pursuant to section 202(a)(1), by December 31, 2010, the Administrator shall promulgate standards applicable to emissions of greenhouse gases from new heavy-duty motor vehicles or new heavy-duty motor vehicle engines, excluding such motor vehicles covered by the Tier II standards (as established by the Administrator as of the date of the enactment of this section). The Administrator may revise these standards from time to time.

"(2) Regulations issued under section 202(a)(1) applicable to emissions of greenhouse gases from new heavy-duty motor vehicles or new heavy-duty motor vehicle engines, excluding such motor vehicles covered by the Tier II standards (as established by the Administrator as of the date of the enactment of this section), shall contain

1 standards that reflect the greatest degree of emissions re-
2 duction achievable through the application of technology
3 which the Administrator determines will be available for
4 the model year to which such standards apply, giving ap-
5 propriate consideration to cost, energy, and safety factors
6 associated with the application of such technology. Any
7 such regulations shall take effect after such period as the
8 Administrator finds necessary to permit the development
9 and application of the requisite technology, and, at a min-
10 imum, shall apply for a period no less than 3 model years
11 beginning no earlier than the model year commencing 4
12 years after such regulations are promulgated.

13 "(3) Regulations issued under section 202(a)(1) ap-
14 plicable to emissions of greenhouse gases from new heavy-
15 duty motor vehicles or new heavy-duty motor vehicle en-
16 gines, excluding such motor vehicles covered by the Tier
17 II standards (as established by the Administrator as of
18 the date of the enactment of this section), shall supersede
19 and satisfy any and all of the rulemaking and compliance
20 requirements of section 32902(k) of title 49, United
21 States Code.

22 "(4) Other than as specifically set forth in paragraph
23 (3) of this subsection, nothing in this section shall affect
24 or otherwise increase or diminish the authority of the Sec-
25 retary of Transportation to adopt regulations to improve

1 the overall fuel efficiency of the commercial goods move-
2 ment system.
3 "(b) NONROAD VEHICLES AND ENGINES.—(1) Pur-
4 suant to section 213(a)(4) and (5), the Administrator
5 shall identify those classes or categories of new nonroad
6 vehicles or engines, or combinations of such classes or cat-
7 egories, that, in the judgment of the Administrator, both
8 contribute significantly to the total emissions of green-
9 house gases from nonroad engines and vehicles, and pro-
10 vide the greatest potential for significant and cost-effective
11 reductions in emissions of greenhouse gases. The Admini-
12 trator shall promulgate standards applicable to emissions
13 of greenhouse gases from these new nonroad engines or
14 vehicles by December 31, 2012. The Administrator shall
15 also promulgate standards applicable to emissions of
16 greenhouse gases for such other classes and categories of
17 new nonroad vehicles and engines as the Administrator de-
18 termines appropriate and in the timeframe the Admini-
19 trator determines appropriate. The Administrator shall
20 base such determination, among other factors, on the rel-
21 ative contribution of greenhouse gas emissions, and the
22 costs for achieving reductions, from such classes or cat-
23 egories of new nonroad engines and vehicles. The Admini-
24 trator may revise these standards from time to time.

1 "(2) Standards under section 213(a)(4) and (5) ap-
2 plicable to emissions of greenhouse gases from those class-
3 es or categories of new nonroad engines or vehicles identi-
4 fied in the first sentence of paragraph (1) of this sub-
5 section, shall achieve the greatest degree of emissions re-
6 duction achievable based on the application of technology
7 which the Administrator determines will be available at
8 the time such standards take effect, taking into consider-
9 ation cost, energy, and safety factors associated with the
10 application of such technology. Any such regulations shall
11 take effect at the earliest possible date after such period
12 as the Administrator finds necessary to permit the devel-
13 opment and application of the requisite technology, giving
14 appropriate consideration to the cost of compliance within
15 such period, the applicable compliance dates for other
16 standards, and other appropriate factors, including the pe-
17 riod of time appropriate for the transfer of applicable tech-
18 nology from other applications, including motor vehicles,
19 and the period of time in which previously promulgated
20 regulations have been in effect.
21 "(3) For purposes of this section and standards
22 under section 213(a)(4) or (5) applicable to emissions of
23 greenhouse gases, the term 'nonroad engines and vehicles'
24 shall include non-internal combustion engines and the ve-
25 hicles these engines power (such as electric engines and

1 electric vehicles), for those non-internal combustion en-
2 gines and vehicles which would be in the same category
3 and have the same uses as nonroad engines and vehicles
4 that are powered by internal combustion engines.

5 "(c) AVERAGING, BANKING, AND TRADING OF EMIS-
6 SIONS CREDITS.—In establishing standards applicable to
7 emissions of greenhouse gases pursuant to this section and
8 sections 202(a), 213(a)(4) and (5), and 231(a), the Ad-
9 ministrator may establish provisions for averaging, bank-
10 ing, and trading of greenhouse gas emissions credits with-
11 in or across classes or categories of motor vehicles and
12 motor vehicle engines, nonroad vehicles and engines (in-
13 cluding marine vessels), and aircraft and aircraft engines,
14 to the extent the Administrator determines appropriate
15 and considering the factors appropriate in setting stand-
16 ards under those sections. Such provisions may include
17 reasonable and appropriate provisions concerning genera-
18 tion, banking, trading, duration, and use of credits.

19 "(d) REPORTS.—The Administrator shall, from time
20 to time, submit a report to Congress that projects the
21 amount of greenhouse gas emissions from the transpor-
22 tation sector, including transportation fuels, for the years
23 2030 and 2050, based on the standards adopted under
24 this section.

1 "(e) GREENHOUSE GASES.—Notwithstanding the
2 provisions of section 711, hydrofluorocarbons shall be con-
3 sidered a greenhouse gas for purposes of this section.".

4 **SEC. 222. GREENHOUSE GAS EMISSIONS REDUCTIONS**
5 **THROUGH TRANSPORTATION EFFICIENCY.**

6 (a) ENVIRONMENTAL PROTECTION AGENCY.—Title
7 VIII of the Clean Air Act, as added by section 331 of this
8 Act, is further amended by inserting after part C the fol-
9 lowing new part:

10 **"PART D—TRANSPORTATION EMISSIONS**

11 **"SEC. 841. GREENHOUSE GAS EMISSIONS REDUCTIONS**
12 **THROUGH TRANSPORTATION EFFICIENCY.**

13 "(a) IN GENERAL.—The Administrator, in consulta-
14 tion with the Secretary of Transportation, shall promul-
15 gate, and update from time to time, regulations to estab-
16 lish national transportation-related greenhouse gas emis-
17 sions reduction goals, standardized models and methodolo-
18 gies for use in developing surface transportation-related
19 greenhouse gas emissions reduction targets pursuant to
20 sections 134 and 135 of title 23 of the United States Code
21 and methods for collection of data on transportation-re-
22 lated greenhouse gas emissions. Such goals shall be com-
23 mensurate with the emissions reductions goals established
24 under the American Clean Energy and Security Act of
25 2009. In establishing such goals, models, and methodolo-

1 gies, the Administrator shall consult with States and met-
2 ropolitan planning organizations and may utilize existing
3 models and methodologies.

4 "(b) TIMING.—The Administrator shall—

5 "(1) publish proposed regulations under sub-
6 section (a) not later than 12 months after the date
7 of enactment of this section; and

8 "(2) promulgate final regulations under sub-
9 section (a) not later than 18 months after the date
10 of enactment of this section.

11 "(c) ASSESSMENT.—At least every 6 years after pro-
12 mulgating final regulations under subsection (a), the Ad-
13 ministrator, jointly with the Secretary of Transportation,
14 shall assess current and projected progress in reducing na-
15 tional transportation-related greenhouse gas emissions.
16 The assessment shall examine the contributions to emis-
17 sions reductions attributable to improvements in vehicle
18 efficiency, greenhouse gas performance of transportation
19 fuels, increased efficiency in utilizing transportation sys-
20 tems and the effects of local and State planning.".

21 (b) METROPOLITAN PLANNING ORGANIZATIONS.—
22 Section 134 of title 23 of the United States Code is
23 amended as follows:

24 (1) In subsection (a)(1)—

1 (A) by striking "minimizing" and inserting
2 "reducing"; and
3 (B) by inserting ", reliance on oil, impacts
4 on the environment, transportation-related
5 greenhouse gas emissions" after "consump-
6 tion".
7 (2) In subsection (h)(1)(E)—
8 (A) by inserting "sustainability and liv-
9 ability, reduce surface transportation-related
10 greenhouse gas emissions and reliance on oil,
11 adapt to the effects of climate change," after
12 "energy conservation";
13 (B) by inserting "and public health" after
14 "quality of life"; and
15 (C) by inserting ", including housing and
16 land use patterns" after "development pat-
17 terns".
18 (3) In subsection (i)(4)(A) by inserting "air
19 quality, public health, housing, transportation,"
20 after "conservation,".
21 (4) In subsection (k) by inserting at the end the
22 following new paragraph:
23 "(6) EMISSIONS REDUCTION PROCESS.—
24 "(A) IN GENERAL.—Within a metropolitan
25 planning area serving a transportation manage-

1 ment area, the transportation planning process
2 under this section shall address transportation-
3 related greenhouse gas emissions by including
4 emission reduction targets and strategies.
5 "(B) ESTABLISHMENT OF EMISSIONS RE-
6 DUCTION TARGETS AND STRATEGIES.—
7 "(i) IN GENERAL.—Not later than one
8 year after the promulgation of the final
9 regulations required under section 841 of
10 the Clean Air Act, each metropolitan plan-
11 ning organization shall develop surface
12 transportation-related greenhouse gas
13 emission reduction targets, as well as
14 strategies to meet such targets, as part of
15 the transportation planning process under
16 this section. If more than one metropolitan
17 planning organization has been designated
18 within a metropolitan planning area serv-
19 ing a transportation management area,
20 each such metropolitan planning organiza-
21 tion shall work cooperatively with other
22 such organization to develop the surface
23 transportation-related greenhouse gas
24 emission reduction targets required under
25 this subparagraph.

1 "(ii) MINIMUM REQUIREMENTS.—
2 Each metropolitan planning organization
3 that develops targets and strategies re-
4 quired under clause (i) shall demonstrate
5 progress in stabilizing and reducing trans-
6 portation-related greenhouse gas emissions
7 in each metropolitan planning area serving
8 a surface transportation management area.
9 The targets and strategies shall, at a min-
10 imum—
11 "(I) be based on the models and
12 methodologies established in the final
13 regulations required under section
14 841 of the Clean Air Act;
15 "(II) address sources of surface
16 transportation-related greenhouse gas
17 emissions and contribute to achieve-
18 ment of the national transportation-
19 related greenhouse gas emissions re-
20 duction goals;
21 "(III) include efforts to increase
22 public transportation ridership; and
23 "(IV) include efforts to increase
24 walking, bicycling, and other forms of
25 nonmotorized transportation.

1 "(C) PUBLIC NOTICE.—Each metropolitan
2 planning organization shall make its emission
3 reduction targets and strategies, and an anal-
4 ysis of the anticipated effects thereof, available
5 to the public through its Web site.
6 "(D) ENFORCEMENT.—If the Secretary
7 finds that a metropolitan planning organization
8 has failed to develop, submit or publish its
9 emission reduction targets and strategies, the
10 Secretary shall not certify that the require-
11 ments of this section are met with respect to
12 the metropolitan planning process of such orga-
13 nization.".
14 (c) STATES.—Section 135 of title 23 of the United
15 States Code is amended as follows:
16 (1) In subsection (d)(1)(E)—
17 (A) by inserting "sustainability and liv-
18 ability, reduce surface transportation-related
19 greenhouse gas emissions and reliance on oil,
20 adapt to the effects of climate change," after
21 "energy conservation";
22 (B) by inserting "and public health" after
23 "quality of life"; and

1 (C) by inserting ", including housing and
2 land use patterns" after "development pat-
3 terns".
4 (2) In subsection (f)(2)(D)(i) by inserting "air
5 quality, public health, housing, transportation,"
6 after "conservation,".
7 (3) In subsection (f) by inserting at the end the
8 following new paragraph:
9 "(9) EMISSIONS REDUCTION PROCESS.—
10 "(A) IN GENERAL.—Within a State, the
11 transportation planning process under this sec-
12 tion shall address transportation-related green-
13 house gas emissions by including emission re-
14 duction targets and strategies.
15 "(B) ESTABLISHMENT OF EMISSIONS RE-
16 DUCTION TARGETS AND STRATEGIES.—
17 "(i) IN GENERAL.—Not later than one
18 year after the promulgation of the final
19 regulations required under section 841 of
20 the Clean Air Act, each State shall develop
21 surface transportation-related greenhouse
22 gas emission reduction targets, as well as
23 strategies to meet such targets, as part of
24 the transportation planning process under
25 this section.

1 "(ii) MINIMUM REQUIREMENTS.—
2 Each State that develops targets and strat-
3 egies required under clause (i) shall dem-
4 onstrate progress in stabilizing and reduc-
5 ing transportation-related greenhouse gas
6 emissions in such State. The targets and
7 strategies shall, at a minimum,
8 "(I) be based on the models and
9 methodologies established in the final
10 regulations required under section
11 841 of the Clean Air Act;
12 "(II) address sources of surface
13 transportation-related greenhouse gas
14 emissions and contribute to achieve-
15 ment of the national transportation-
16 related greenhouse gas emissions re-
17 duction goals;
18 "(III) include efforts to increase
19 public transportation ridership; and
20 "(IV) include efforts to increase
21 walking, bicycling, and other forms of
22 nonmotorized transportation.
23 "(D) PUBLIC NOTICE.—Each State shall
24 make its emission reduction targets and strate-
25 gies, and an analysis of the anticipated effects

1 thereof, available to the public through its Web
2 site.
3 "(E) ENFORCEMENT.—If the Secretary
4 finds that a State has failed to develop, submit
5 or publish its emission reduction targets and
6 strategies, the Secretary shall not certify that
7 the requirements of this section are met with
8 respect to the statewide planning process of
9 such State.".
10 (d) DEPARTMENT OF TRANSPORTATION.—The Sec-
11 retary of Transportation shall establish appropriate re-
12 quirements, including performance measures, to ensure
13 that transportation plans developed under sections 134
14 and 135 of title 23 of the United States Code sufficiently
15 meet the requirements of this section, including achieving
16 progress towards national transportation-related green-
17 house gas emissions reduction goals.

18 **SEC. 223. SMARTWAY TRANSPORTATION EFFICIENCY PRO-**
19 **GRAM.**

20 Part B of title VIII of the Clean Air Act, as added
21 by section 221 of this Act is amended by adding after sec-
22 tion 821 the following section:

1 **"SEC. 822. SMARTWAY TRANSPORTATION EFFICIENCY PRO-**
2 **GRAM.**

3 "(a) IN GENERAL.—There is established within the
4 Environmental Protection Agency a SmartWay Transport
5 Program to quantify, demonstrate, and promote the bene-
6 fits of technologies, products, fuels, and operational strate-
7 gies that reduce petroleum consumption, air pollution, and
8 greenhouse gas emissions from the mobile source sector.

9 "(b) GENERAL DUTIES.—Under the program estab-
10 lished under this section, the Administrator shall carry out
11 each of the following:

12 "(1) Development of measurement protocols to
13 evaluate the energy consumption and greenhouse gas
14 impacts from technologies and strategies in the mo-
15 bile source sector, including those for passenger
16 transport and goods movement.

17 "(2) Development of qualifying thresholds for
18 certifying, verifying, or designating energy-efficient,
19 low-greenhouse gas SmartWay technologies and
20 strategies for each mode of passenger transportation
21 and goods movement.

22 "(3) Development of partnership and recogni-
23 tion programs to promote best practices and drive
24 demand for energy-efficient, low-greenhouse gas
25 transportation performance.