

REAUTHORIZATION OF THE STEEL AND ALUMINUM EN-
ERGY CONSERVATION AND TECHNOLOGY COMPETI-
TIVENESS ACT OF 1988

JULY 1, 2004.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. BOEHLERT, from the Committee on Science,
submitted the following

R E P O R T

[To accompany H.R. 3890]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science, to whom was referred the bill (H.R. 3890) to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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I. AMENDMENT

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. AMENDMENTS.

(a) **AUTHORIZATION OF APPROPRIATIONS.**—Section 9 of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5108) is amended to read as follows:

“SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to the Secretary to carry out this Act for fiscal year 2005, an amount equal to the amount appropriated for the same purposes for fiscal year 2004, and \$20,000,000 for each of the fiscal years 2006 through 2009.”.

(b) **STEEL PROJECT PRIORITIES.**—Section 4(c)(1) of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5103(c)(1)) is amended—

(1) in subparagraph (H), by striking “coatings for sheet steels” and inserting “sheet and bar steels”; and

(2) by adding at the end the following new subparagraph:

“(K) The development of technologies which reduce greenhouse gas emissions.”.

(c) **CONFORMING AMENDMENTS.**—The Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 is further amended—

(1) by striking section 7 (15 U.S.C. 5106); and

(2) in section 4(b)—

(A) in the subsection heading, by inserting “AND REPORT” after “MANAGEMENT PLAN”;

(B) by striking “Within 6 months after the date of enactment of this Act” and inserting “Not later than 6 months after the date of enactment of the Act enacting this sentence”;

(C) by striking “to expand the steel research and development initiative to include aluminum and”; and

(D) by inserting “, and shall transmit such plan to Congress” after “carry out the purposes of this Act”.

II. PURPOSE OF THE BILL

The purpose of the bill is to reauthorize a program of energy efficiency research and development (R&D) at the Department of Energy (DOE) to support the domestic metals industry. Specifically, the bill reauthorizes the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, and makes minor modifications to that act.

III. BACKGROUND AND NEED FOR THE LEGISLATION

DOE’s steel-related energy efficiency R&D program was established in 1986. The program was expanded to a broader “metals initiative” in 1988 when the President signed into law the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. Reauthorization of appropriations for the program occurred in 1992 with the passage of the Energy Policy Act. Authorization of appropriations expired in 1997, although Congress has continued to appropriate funds for the program each year since then as part of the Industries of the Future program at DOE. H.R. 3890 reaffirms Congressional support for the metals program through reauthorization of appropriations through 2009, updates program priorities, and calls for an update of the management plan required by the original legislation.

IV. SUMMARY OF HEARINGS

On May 20, 2004, the Subcommittee on Energy of the Committee on Science held a hearing to examine the metals R&D program at DOE. Witnesses included:

- Mr. Douglas L. Faulkner, Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy at the U.S. Department of Energy;
- Mr. Richard A. Shulkosky, Vice President for sales, marketing and product development at the INTEG Process Group, a small company that supplies industrial process control systems and electronics;
- Ms. Lisa A. Roudabush, General Manager of Research for the United States Steel Corporation; and
- Dr. Ronald Sutherland, Consulting Economist and Adjunct Professor of Law at the George Mason University School of Law.

Mr. Faulkner, speaking on behalf of the Administration, testified on the history and management of the program and provided examples of success stories. He indicated that the Administration has no objection to the legislation. Mr. Shulkosky and Ms. Roudabush spoke of their companies' experiences and successes with the program. Mr. Sutherland, suggested that the program placed too much emphasis on energy efficiency rather than economic efficiency. He also recommended program improvements that he felt would help ensure that program benefited metals companies in the U.S.

V. COMMITTEE ACTIONS

On March 4, 2004, Ms. Hart, Mr. English and Mr. Murphy introduced H.R. 3890 to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. The bill was referred to the Committee on Science, and to the Subcommittee on Energy and to the Subcommittee on Environment, Technology, and Standards. Because the bill primarily deals with programs at the Department of Energy, the Subcommittee on Energy met on June 15, 2004, to consider the bill. No amendments were offered. Mr. Larson moved that the Subcommittee favorably report the bill, H.R. 3890, to the Full Committee on Science, and that the staff be instructed to make all necessary technical and conforming changes to the bill in accordance with the recommendations of the Subcommittee. The motion was agreed to by a voice vote. The Subcommittee on Environment, Technology, and Standards was discharged from considering the bill.

The Full Committee on Science met on June 16, 2004, to consider the bill. Two amendments were offered and considered by the committee:

- (1) Ms. Hart offered an amendment in the nature of a substitute to make technical corrections to the bill. By unanimous consent the amendment in the nature of a substitute was considered as base text for the purpose of amendment.
- (2) Mr. Gutknecht offered an amendment to limit the authorization for fiscal year 2005 to no more than was appropriated in fiscal year 2004. The amendment was approved by a voice vote.
- (3) The amendment in the nature of a substitute, as amended, was then passed by a voice vote.

Mr. Gordon moved that the Committee favorably report the bill, H.R. 3890, to the House with the recommendation that the bill as amended do pass, and that the staff be instructed to make all technical and conforming changes to the bill as amended and prepare the legislative report and that the Chairman take all necessary steps to bring the bill before the House for consideration. With a quorum present, the motion was agreed to by a voice vote.

VI. SUMMARY OF MAJOR PROVISIONS OF THE BILL

The bill amends the *Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*. Primarily, the bill authorizes appropriations each year for fiscal years 2005 through 2009 for the Department of Energy. The bill also updates priorities to be considered in research planning, repeals a section related to National Institute of Standards and Technology (NIST) programs that have been inactive, and requires DOE to update the program's Management Plan and submit it to Congress.

VII. SECTION-BY-SECTION ANALYSIS (BY TITLE AND SECTION)

SECTION 1. AMENDMENTS

Amends various sections of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 as follows:

- Authorizes appropriations for fiscal year 2005 at the same level as enacted in fiscal year 2004 (when DOE allocated \$13,268,000 to the program) and authorizes appropriations of \$20,000,000 for each of the fiscal years 2006 through 2009.
- Amends the list of priorities to delete "coatings for sheet steels" and substitute "sheet and bar steels," and to add research on technologies that reduce greenhouse gas emissions.
- Strikes the section referring to activities at NIST.
- Modifies language to require DOE to update and submit to Congress a Management Plan.

VIII. COMMITTEE VIEWS

The Committee believes that energy efficiency research and development (R&D) is an important component of the Nation's R&D portfolio, especially given concerns about energy security and the environmental impacts of energy use. As one of the largest energy-consuming industries, efficiency research for the metals industry can pay large dividends at a relatively low cost. Improvements by these large consumers can mean large reductions in energy demand for the nation, lowering demand for fuels and reducing upward pressure on prices. The Committee also believes that the metals program benefits the U.S. steel and aluminum industries by helping them to maintain a competitive edge over foreign producers. A healthy U.S. metals industry helps keep skilled jobs here in America, and protects the Nation against reliance on foreign sources of metal materials and products essential to our economy and national security.

IX. COST ESTIMATE

A cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional

Budget Act of 1974 timely submitted to the Committee on Science prior to the filing of this report and is included in Section X of this report pursuant to House rule XIII, clause 3(c)(3).

H.R. 3890 does not contain new budget authority, credit authority, or changes in revenues or tax expenditures. Assuming that the sums authorized under the bill are appropriated, H.R. 3890 authorizes additional discretionary spending, as described in the Congressional Budget Office report on the bill, which is contained in Section X of this report.

X. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 1, 2004.

Hon. SHERWOOD L. BOEHLERT,
*Chairman, Committee on Science,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3890, a bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Lisa Cash Driskill.

Sincerely,

ELIZABETH M. ROBINSON
(For Douglas Holtz-Eakin, Director).

Enclosure.

H.R. 3890—A bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988

Summary: H.R. 3890 would reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. The bill would authorize the appropriation of \$93 million over the 2005–2009 period for research and development to enhance the energy efficiency of processes that create steel and aluminum. It also would expand research authorized under that act to include processes that make bar steel and technologies to reduce greenhouse gas emissions. CBO estimates that implementing H.R. 3890 would cost \$79 million over the 2005–2009 period, assuming appropriation of the authorized amounts.

H.R. 3890 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, and tribal governments.

Estimated Cost to the Federal Government: The estimated budgetary impact of H.R. 3890 is shown in the following table. The costs of this legislation fall within budget function 270 (energy). For this estimate, CBO assumes that the amounts authorized would be appropriated near the beginning of each fiscal year and that outlays would follow the historical spending patterns of similar programs.

	By fiscal year, in millions of dollars—					
	2004	2005	2006	2007	2008	2009
SPENDING SUBJECT TO APPROPRIATION						
Spending under current law:						
Budget Authority ¹	13	0	0	0	0	0
Estimated outlays	6	5	2	0	0	0
Proposed changes:						
Authorization level	0	13	20	20	20	20
Estimated outlays	0	6	14	19	20	20
Spending under H.R. 3890:						
Authorization level ¹	13	13	20	20	20	20
Estimated outlays	6	11	16	19	20	20

¹ The 2004 level is the amount appropriated for that year for research and development to enhance the energy efficiency of processes to create steel and aluminum.

Intergovernmental and Private-Sector Impact: H.R. 3890 contains no intergovernmental or private-sector mandates as defined in the UMRA and would impose no costs on state, local, and tribal governments.

Estimate Prepared by: Federal Costs: Lisa Cash Driskill. Impact on State, Local and Tribal Governments: Greg Waring. Impact on the Private Sector: Jean Talarico.

Estimate Approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

XI. COMPLIANCE WITH PUBLIC LAW 104-4

H.R. 3890 contains no unfunded mandates.

XII. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

The Committee on Science's oversight findings and recommendations are reflected in the body of this report.

XIII. STATEMENT ON GENERAL PERFORMANCE GOALS AND OBJECTIVES

The goal of the Act establishing the metals program, which H.R. 3890 reauthorizes, is "to increase the energy efficiency and enhance competitiveness of American steel, aluminum, and copper industries by providing Federal incentives for the establishment of public-private sector research and development partnerships to undertake scientific research and development to develop advanced technologies." H.R. 3890 makes no changes to the goal of the underlying Act.

XIV. CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact H.R. 3890.

XV. FEDERAL ADVISORY COMMITTEE STATEMENT

H.R. 3890 does not establish nor authorize the establishment of any advisory committee.

XVI. CONGRESSIONAL ACCOUNTABILITY ACT

The Committee finds that H.R. 3890 does not relate to the terms and conditions of employment or access to public services or accom-

modations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

XVII. STATEMENT ON PREEMPTION OF STATE, LOCAL, OR TRIBAL
LAW

This bill is not intended to preempt any state, local, or tribal law.

XVIII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

**STEEL AND ALUMINUM ENERGY CONSERVATION AND
TECHNOLOGY COMPETITIVENESS ACT OF 1988**

* * * * *

**SEC. 4. ESTABLISHMENT OF SCIENTIFIC RESEARCH AND DEVELOPMENT
PROGRAM TO DEVELOP COMPETITIVE MANUFACTURING TECHNOLOGIES AND INCREASE ENERGY EFFICIENCY
IN THE STEEL AND ALUMINUM INDUSTRIES.**

(a) * * *

(b) **MANAGEMENT PLAN AND REPORT.**—[Within 6 months after the date of enactment of this Act] *Not later than 6 months after the date of enactment of the Act enacting this sentence*, the Secretary shall publish an update of the management plan [to expand the steel research and development initiative to include aluminum and] to carry out the purposes of this Act, *and shall transmit such plan to Congress*. The Secretary, from time to time, may further update the management plan. The management plan shall be subject to the following conditions:

(1) * * *

* * * * *

(c) **PRIORITIES.**—Within 6 months after the date of enactment of this Act, the Secretary shall publish an update of the research plan. In reviewing research and development activities for possible inclusion in the research plan, the Secretary shall consider the following:

(1) **STEEL PROJECTS.**—

(A) * * *

* * * * *

(H) The development of advanced [coatings for sheet steels] *sheet and bar steels*.

* * * * *

(K) *The development of technologies which reduce greenhouse gas emissions.*

**[SEC. 7. EXPANDED STEEL AND ALUMINUM RESEARCH PROGRAM IN
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.**

[The National Institute of Standards and Technology, through its Institute for Materials Science and Engineering and, as appropriate, in coordination with the Department of Energy and other Federal agencies, shall conduct an expanded program of steel and

aluminum research to provide necessary instrumentation and measurement research and development in support of activities conducted under this Act.】

* * * * *

[SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

【(a) TO THE SECRETARY.—(1) There are authorized to be appropriated to the Secretary, to carry out the functions of the Department of Energy under this Act, \$2,000,000 for fiscal year 1989, \$20,000,000 for fiscal year 1990, \$25,000,000 for fiscal year 1991, \$17,968,000 for fiscal year 1992, and \$18,091,000 for each of the fiscal years 1993 through 1997, to be derived from sums authorized under section 2101(e) of the Energy Policy Act of 1992.

【(2) Funds previously appropriated for the steel research and development initiative—

【(A) under title II of the Interior and Related Agencies portion of the joint resolution entitled “Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes”, approved December 19, 1985 (Public Law 99–190); or

【(B) under subsequent appropriation Acts, which remain available under the terms of such Acts may be used for the purposes of this Act.

【(b) TO THE INSTITUTE.—There are authorized to be appropriated to the Director of the National Institute of Standards and Technology to carry out the functions of the Institute under this Act, \$3,000,000 for each of the fiscal years 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, and 1997, to be derived from sums otherwise authorized to be appropriated to the Institute.】

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary to carry out this Act for fiscal year 2005, an amount equal to the amount appropriated for the same purposes for fiscal year 2004, and \$20,000,000 for each of the fiscal years 2006 through 2009.

* * * * *

XIX. COMMITTEE RECOMMENDATIONS

On June 16, a quorum being present, the Committee on Science favorably reported H.R. 3890, a bill to reauthorize the Steel and Aluminum Energy Conservation and Competitiveness Act of 1988, by a voice vote, and recommended its enactment.

**XX: PROCEEDINGS OF THE MARKUP BY THE
SUBCOMMITTEE ON ENERGY ON H.R. 3890,
TO REAUTHORIZE THE STEEL AND ALU-
MINUM ENERGY CONSERVATION AND TECH-
NOLOGY COMPETITIVENESS ACT OF 1988**

TUESDAY, JUNE 15, 2004

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ENERGY,
COMMITTEE ON SCIENCE,
Washington, DC.

The Subcommittee met, pursuant to call, at 2:10 p.m., in Room 2318 of the Rayburn House Office Building, Hon. Judy Biggert [Chairwoman of the Subcommittee] presiding.

Chairwoman BIGGERT. Good afternoon. The Subcommittee will be in order. I apologize for being late. After a two-day markup, we are having votes at this very moment, so I did get three out of five in, so it was time to leave.

Pursuant to notice, the Subcommittee on Energy meets today to consider the following measures: H.R. 4516, to require the Secretary of Energy to carry out a program of research and development to advance high-end computing; and H.R. 3890, *To Reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*. I ask unanimous consent for authority to recess the Subcommittee at any point. Without objection, it is so ordered.

We will now proceed with opening statements, and I will start.

I want to thank you all for attending today's markup. The two bills the Energy Subcommittee will consider this afternoon are non-controversial in nature, and I anticipate that we will complete our business here quite quickly. The first bill before the Subcommittee is H.R. 4516, the *Department of Energy High-End Computing Revitalization Act of 2004*, which I sponsored along with my Democratic colleague, Lincoln Davis. This bill would authorize a program of research and development in high-end computing at the Department of Energy. Next, the Subcommittee will consider H.R. 3890, a bill to reauthorize the Metals Initiative at the Department of Energy, sponsored by Ms. Hart. Representative Hart's bill will help the metals industry, one of our most energy-intensive industries, to develop more energy-efficient processes.

Let me speak for a moment about the legislation H.R. 4516, DOE's *High-Energy Computing Revitalization Act of 2004*. This bill requires the Secretary of Energy to establish and operate high-end

computing facilities involving leadership-class machines that are among the most elite in the world. The bill also directs the Secretary to conduct advanced scientific and engineering research and development using these leadership-class systems, and to continue to advance the capabilities of high-end computing hardware and software. Finally, the bill requires that these computing facilities be made available on a competitive, peer-reviewed basis to researchers with U.S. industry, institutions of higher education, national laboratories, and other federal agencies.

Last fall, the Department of Energy's Office of Science released its "20-year Facilities Plan," a prioritized list of the most important facilities needed to advance multiple fields of scientific endeavor over the next two decades. The second highest priority identified on the Department's list was ultra-scale computing. Ultra-scale, or high-end, computing ranks at the top of the Department of Energy's priority list because these computers are essential tools for achieving the next generation of scientific breakthroughs in a variety of disciplines. These powerful machines are used to complement theory and experimentation in plasma physics and fusion, astrophysics, nuclear physics, and genomes, all fields central to the Department of Energy's mission.

In many cases, dramatic breakthroughs will require us to increase computing power by a factor of 100, or, in some cases, by a factor of 1,000. While obtaining these increases may seem daunting, the history of computer development has taught us that with a sustained commitment to research, such gains are within our reach.

The bill we are marking up today also complements a new initiative recently advanced by the Department. Last month, Secretary Abraham announced the selection of a team including Argonne National Laboratory, Oak Ridge National Laboratory, and other partners to develop and build a new high-end computing facility. When completed, this facility will outpace the world's current number one computer, Japan's Earth Simulator. By renewing our commitment to high-end computing research and development at the Department of Energy, the United States can regain its distinction as home to the world's most powerful computer.

[The prepared statement of Mrs. Biggert follows:]

PREPARED STATEMENT OF CHAIRMAN JUDY BIGGERT

I want to thank you all for attending today's markup. The two bills the Energy Subcommittee will consider this morning are non-controversial in nature, and I anticipate that we will complete our business here quite quickly.

The first bill before the Subcommittee is H.R. 4516, the *Department of Energy High-End Computing Revitalization Act of 2004*, which I sponsored along with my Democratic colleague, Lincoln Davis. This bill would authorize a program of research and development in high-end computing at the Department of Energy. Next, the Subcommittee will consider H.R. 3890, a bill to reauthorize the metals initiative at the Department of Energy, sponsored by Ms. Hart. Representative Hart's bill will help the metals industry, one of our most energy intensive industries, to develop more energy efficient processes.

Let me speak for a moment about my legislation, H.R. 4516, the *DOE High-End Computing Revitalization Act of 2004*. This bill requires the Secretary of Energy to establish and operate high-end computing facilities involving "leadership-class" machines that are among the most elite in the world. My bill also directs the Secretary to conduct advanced scientific and engineering research and development using these leadership class systems, and to continue to advance the capabilities of high-end computing hardware and software. Finally, the bill requires that these com-

puting facilities be made available on a competitive, peer-reviewed basis to researchers with U.S. industry, institutions of higher education, national laboratories, and other federal agencies.

Last fall, the Department of Energy's Office of Science released its twenty-year facilities plan, a prioritized list of the most important facilities needed to advance multiple fields of scientific endeavor over the next two decades. The second highest priority identified on the Department's list was "ultra-scale computing."

Ultra-scale or high-end computing ranks at the top of the Department of Energy's priority list because these computers are essential tools for achieving the next generation of scientific breakthroughs in a variety of disciplines. These powerful machines are used to complement theory and experimentation in plasma physics and fusion, astrophysics, nuclear physics, and genomics, all fields central to the Department of Energy's mission.

In many cases, dramatic breakthroughs will require us to increase computing power by a factor of a hundred, or in some cases, by a factor of a thousand. While attaining these increases may seem daunting, the history of computer development has taught us that with a sustained commitment to research, such gains are within our reach.

The bill we are marking up today also complements a new initiative recently advanced by the Department. Last month, Secretary Abraham announced the selection of a team, including Argonne National Laboratory, Oak Ridge National Laboratory, and other partners to develop and build a new, high-end computing facility. When completed, this new facility will outpace the world's current "number one" computer, Japan's Earth Simulator.

By renewing our commitment to high-end computing research and development at the Department of Energy, the United States can regain its distinction as home to the world's most powerful computer.

Thank you.

Chairwoman BIGGERT. I now recognize Mr. Larson for five minutes to present his opening remarks.

Mr. LARSON. Thank you, Madame Chair. I join with you in the sentiments that you have expressed that the two bills that we are about to undertake are one that enjoy unanimous support of the Subcommittee, and we look forward to their passage in taking them before the Committee of the whole. And I would like to congratulate both Congresswoman Hart and also yourself and Congressman Lincoln Davis for your hard work in putting forth this legislation.

Madame Chair, I am pleased to join you in supporting the Department of Energy's High-End Computing Revitalization Act that is before the Subcommittee today. I want to congratulate you and Congressman Lincoln Davis on our side of the aisle for all of your hard work in developing this important bill. It has been a bipartisan effort, as you know, that culminated in an excellent legislative product deserving of the support of the Subcommittee.

The activities authorized at Department of Energy by H.R. 4516 will help to ensure that United States researchers have the tools they need now and in the future to make progress in science and engineering research and to generate the new ideas that will underpin future technology products and services. The bill will reenergize the Department of Energy's R&D efforts in supercomputing, which have been at the forefront in past development of high-end computing capabilities, as you have previously noted. The resources authorized will provide researchers with access to the most powerful computing systems and will also support the education and training of new scientists and engineers in computer and computational sciences.

[The prepared statement of Mr. Larson follows:]

PREPARED STATEMENT OF REPRESENTATIVE JOHN LARSON

Thank you Madame Chairman.

We are here today to markup H.R. 3890, Congresswoman Hart's bill to reauthorize the metals R&D program at the Department of Energy.

The implications for programs such as this extend well beyond the steel and aluminum industries. With U.S. manufacturing capabilities quickly heading overseas, we have a responsibility to do all we can to bolster domestic industries and keep Americans working.

The Department of Energy has a long and successful history of partnerships with industry. Through the Industries of the Future program, the Department has seen substantial technological benefits in a wide range of industrial sectors.

In addition to the work done on steel and aluminum, applied research programs in the mining, chemicals, forest products, agriculture, glass and petroleum industries have seen real results. Together, these industries employ a very large part of the domestic manufacturing workforce.

There are many benefits of sustaining R&D partnerships with industry. We see results in energy savings, a cleaner environment, competitive industries, high-paying jobs and ultimately a more solid foundation for our economy.

H.R. 3890 is a small but effective step Congress can take to reinforce key domestic industries in their efforts to achieve these goals and I support the bill.

Thank you, and I yield back my time.

Mr. LARSON. I would also seek unanimous consent, and I know that Mr. Davis is not here, and I know how hard he has worked on this proposal and would seek unanimous consent to submit, for the record, any remarks that Mr. Davis, who I know is also probably detained by a markup and is unable to be here at this point.

Chairwoman BIGGERT. Without objection, all Members' opening statements will be placed in the record at this time.

The next bill is H.R. 3890, a bill *To Reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*. We will now proceed with opening remarks, and I will yield five minutes to the gentlewoman from Pennsylvania to introduce the bill.

Ms. HART. Thank you, Madame Chair. I hope I won't take the five minutes.

The Committee is familiar with the legislation from our recent hearing, and I would ask the Committee, obviously, to support it. The goal of the legislation is to reauthorize the original *Steel and Aluminum Competitiveness Act of 1988*, which authorized federal cost sharing for research in the metals industry. This legislation does this by providing federal incentives for the establishment of public/private sector research and development to develop technologies that utilize the expertise of our existing metals industries to their fullest potential. The act established three goals. One was high-energy efficiency. The other is increasing competitiveness of the U.S. metals industries worldwide, and also improving our environment.

The legislation also has a payback provision, which I think is especially important. This initiative requires, under this payback provision, the federal share of the monies for the research to be repaid out of the net proceeds from commercialization of the developed technology that is a result of these grants. This has several advantages. Obviously, one by compelling commercialization, it focuses the funding for particular projects on those that have the best chance of commercial success. And also, the Metals Initiative requires a commercialization partner, which is a business partner, that will be involved in the project from the beginning and the re-

sponsibility of that business partner is then to deliver that technology somehow profitably into the market.

The reason that we need the reauthorization is because the steel industry and the Department of Energy have continued the partnership but at a much lower level since the expiration of this Act. The Steel Initiative continued even after the expiration as well. The Administration has continued to support this type of partnership. For fiscal year 2005, in fact, the Administration has recommended \$6.5 million for the Initiative, \$3.8 million for steel, \$2.7 for aluminum, but that is only half of what was provided in 2004. In 2004, the level of funding was \$13.3 million. It is very difficult to plan projects having funding swing so severely from \$6.5 in one budget to \$13.3 the next, or backwards, so this legislation would basically reauthorize the 1988 Act through 2009 at a more consistent level of \$10 million a year.

Over the years, 58 steel companies and 23 research organizations have participated and benefited from the program. Those of you who were at the hearing will recall that two organizations that participated in the program, one called Integ Process Group, and they do a lot of the research, and another, United States Steel, had been participants through this program and had much success. They testified regarding the benefits that it has provided in the past and potential benefits that it can continue to provide if we continue to fund it in the future.

I believe the bill is right for industry. I believe it is good for energy consumption and also good for our environment. It provides for government and for our economy a great bang for the buck, especially with the requirements for commercialization and payback. So I ask the Members for their support, and I yield back, Madame Chair.

[The prepared statement of Ms. Hart follows:]

PREPARED STATEMENT OF REPRESENTATIVE MELISSA HART

I would like to thank Madam Chair for calling this markup to discuss my legislation H.R. 3890, *To Reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*.

As a lifelong Western Pennsylvanian, I saw the devastating effects on my region by the collapse of the domestic steel industry in the 1970s and early 1980s. In the 1960's there were 15,000 steel-producing jobs in the City of Aliquippa alone. Currently, there are 15,000 steel-producing jobs in all of Allegheny, Beaver, Butler, Fayette, Washington and Westmoreland counties combined. Recently, we almost saw the complete folding of the industry as they were attacked by unfair trade practices and dumping by foreign competitors.

However, the steel industry has worked within itself to stay efficient, cost effective and productive, despite these exterior set backs. As one of the largest energy consumers in manufacturing, they sought way to be energy efficient and environmentally sensitive. In such a cash strapped business, they needed the help of the Federal Government to be able to seek these benefits. The purpose of the original legislation was to authorize federal cost sharing of research in the metals industry. The legislation established three goals: energy-efficiency, increasing the competitiveness of U.S. industry and improving the environment. Legislation does this by providing federal incentives for the establishment of public-private sector research and development to develop technologies that utilize the expertise of the metals industries. Legislation also has a payback provision that requires the federal share to be repaid out of net proceeds of commercialization of the developed technology. This has several advantages such as: by compelling commercialization, it forces only the projects with the best chance of commercial success to be selected; by requiring a "commercialization partner," a company involved in the project from the beginning has the responsibility to deliver the technology to market.

The steel industry and Department of Energy continued this partnership under the Metals Initiative, and its predecessor, the Steel Initiative, even after the authorization expired.

While the Metals Initiative benefited from years of high funding levels, we have seen a steady decline in the funding over the last four years. For the fiscal year 2005 the Administration only recommended a total of \$6.5 million (\$3.8 million for steel, \$2.7 for aluminum) which is half the \$13.3 million provided in 2004. My legislation would reauthorize the 1988 Act through 2009 at a constant level of \$10 million per year.

Over the years 58 steel companies and 23 research organizations have participated and benefited from the program. Many of those companies are from my region including two companies that participated in our May 20th hearing, INTEG Process Group and U.S. Steel. Also universities in my region, including the University of Pittsburgh and Carnegie Mellon University, benefited from this program. The Metals Initiative has helped push private research investments to pursue public goals. This bill is right for the industry, good for energy consumption and good for the environment. I ask for your support and yield back.

Chairwoman BIGGERT. I now recognize Mr. Larson for five minutes to present his opening remarks.

Mr. LARSON. Thank you, Madame Chair.

We are here today to mark up H.R. 3890, Congresswoman Hart's bill, to reauthorize the Metals Research and Development Program at the Department of Energy.

The implications for programs such as this extend well beyond the steel and aluminum industries. With U.S. manufacturing capabilities quickly heading overseas, we have the responsibility to do all that we can to bolster domestic industries and keep Americans working.

The Department of Energy has a long and successful history of partnerships with industry. Through the *Industries of the Future Program*, the Department has seen substantial technological benefits in a wide range of industrial sectors.

In addition to the work done on the steel and aluminum, applied research programs in mining, chemicals, forest products, agriculture, glass, and petroleum industries have seen real results. Together these industries employ a very large part of the domestic manufacturing workforce.

There are many benefits of sustaining research and development partnerships with industry. We see the results in energy savings, a cleaner environment, competitive industries, high-paying jobs, and ultimately, a more solid foundation for our economy.

H.R. 3890 is a small, but effective, step Congress can take to reinforce key domestic industries in their efforts to achieve these goals, and I support the bill.

Thank you, and I yield back my time.

Chairwoman BIGGERT. The gentleman yields back.

Without objection, all Members may place opening remarks in the record at this point.

I ask unanimous consent that H.R. 3890 be considered as read and open to amendment at any point. Without objection, so ordered.

Are there any amendments? Hearing none, the question is on the bill, as amended, H.R. 3890, *To Reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*, as amended. All of those in favor will say aye. All of those opposed will say no. In the opinion of the Chair, the ayes have it.

I now recognize Mr. Larson to offer a motion.

Mr. LARSON. Thank you, Madame Chair.

Madame Chair, I move that the Subcommittee favorably report the bill H.R. 3890 to the Full Committee. Further, I ask unanimous consent that the staff be instructed to make all necessary technical and conforming changes to the bill in accordance with the recommendation of the Subcommittee.

Chairwoman BIGGERT. The question is on the motion to report the bill. Those in favor will say aye. Those opposed will say no. The ayes have it, and the motion is agreed to.

Without objection, the motion to reconsider is laid upon the table.

This concludes our Subcommittee markup. And I thank you all. And again, I apologize for being late. My one goal always is to be on time and to start our meetings on time. So once again, thank you for coming, and the Chair declares the Subcommittee adjourned.

[Whereupon, at 2:20 p.m., the Subcommittee was adjourned.]

Appendix:

H.R. 3890, TO REAUTHORIZE THE STEEL AND ALUMINUM ENERGY
CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988;
SUMMARY OF H.R. 3890; SECTION-BY-SECTION ANALYSIS OF H.R.
3890

108TH CONGRESS
2D SESSION

H. R. 3890

To reauthorize the Steel and Aluminum Energy Conservation and Technology
Competitiveness Act of 1988.

IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2004

Ms. HART (for herself, Mr. MURPHY, and Mr. ENGLISH) introduced the
following bill; which was referred to the Committee on Science

A BILL

To reauthorize the Steel and Aluminum Energy Conservation
and Technology Competitiveness Act of 1988.

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. AMENDMENTS.**

4 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
5 9 of the Steel and Aluminum Energy Conservation and
6 Technology Competitiveness Act of 1988 (15 U.S.C.
7 5108) is amended to read as follows:

1 **“SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to the Sec-
3 retary to carry out this Act \$10,000,000 for each of the
4 fiscal years 2005 through 2009.”.

5 (b) STEEL PROJECT PRIORITIES.—Section 4(c)(1) of
6 the Steel and Aluminum Energy Conservation and Tech-
7 nology Competitiveness Act of 1988 (15 U.S.C.
8 5103(c)(1)) is amended—

9 (1) in subparagraph (H), by striking “coatings
10 for sheet steels” and inserting “sheet and bar
11 steels”; and

12 (2) by adding at the end the following new sub-
13 paragraph:

14 “(K) The development of technologies
15 which reduce greenhouse gas emissions.”.

16 (c) CONFORMING AMENDMENTS.—The Steel and
17 Aluminum Energy Conservation and Technology Competi-
18 tiveness Act of 1988 is further amended—

19 (1) by striking section 7 (15 U.S.C. 5106); and

20 (2) in section 8 (15 U.S.C. 5107), by inserting
21 “, beginning with fiscal year 2005,” after “close of
22 each fiscal year”.

○

SUMMARY OF H.R. 3890

The bill amends the *Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*. Primarily, the bill authorizes appropriations of \$10 million each year for fiscal years 2005 through 2009 for the Department of Energy. The bill also includes provisions to:

- Include the potential for technologies to reduce greenhouse gas emissions as a consideration in research planning;
- Repeal a section related to programs at the National Institute of Standards and Technology (NIST) that have been inactive; and
- Re-establish a requirement for an annual report to the President and the Congress on R&D activities carried out under the program.

SECTION-BY-SECTION ANALYSIS OF H.R. 3890

Section 1

Authorizes appropriations of \$10 million for each of the fiscal years 2005 through 2009. Amends one of the program priorities by deleting “coatings for sheet steels” and substituting “sheet and bar steels.” Adds a new priority that authorizes research on technologies that reduce greenhouse gas emissions. Strikes the section referring to activities at NIST. Inserts language that reestablishes a requirement for an annual report to Congress.

Bill Background*What did the underlying legislation do?*

The underlying act, the *Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*, (the Act) authorized a program to “increase the energy efficiency and enhance the competitiveness of American steel, aluminum, and copper industries” through research and development activities at DOE. While a program already existed at DOE, the Act required an updated research plan, set the minimum cost share from industry at 30 percent, identified specific priorities for consideration in project selection, required regular reports to Congress, and outlined intellectual property rights for discoveries of the research. The Act also mandated participation by industry and labor in the development of the management plans. The Act also called on NIST to provide instrumentation and measurement R&D support to the programs.

What programmatic changes does H.R. 3890 include?

In addition to authorizing \$10 million per year for fiscal year 2005 through fiscal year 2009 to carry out the program, H.R. 3890 proposes to:

- **Authorize research to target greenhouse gas reductions.** As large energy consumers the metals industries make a significant contribution to total emission of greenhouse gasses, including carbon dioxide. This provision, included at the request of the metals industry, would explicitly allow research projects that concentrate on reducing these emissions;
- **Repeal the sections of the Act that refer to NIST.** The NIST portion of the program has not been active for many years. While NIST’s general authorities would allow work to continue on competitiveness for the metals industry, the bill’s sponsors believe that it is most important to focus the program at the Department of Energy;
- **Require an annual report to Congress.** The report must include a summary of the research and development activities, including budget information, together with any recommendations from the Secretary on other actions that could assist the industry. The report must also contain an analysis of the extent to which projects succeeded in accomplishing the purposes of the Act.

How does the existing program work?

The program is closely coordinated with industry through participation in research planning and cost-sharing. This involvement serves as a “market test” of whether industry perceives the activities as important enough to contribute their time and money. In general, the program solicits proposals, which are concurrently reviewed by the industry’s trade organization and DOE to ensure that the projects meet the criteria and objectives of both. The resulting list of qualified proposals is then distributed to the trade group’s member companies, which determine priority projects by identifying projects for which they are willing to cost share. Project awards are made, and the research is generally conducted at universities and national laboratories, although some research may also be carried out on-site at participating companies’ facilities. To ensure that the benefits are realized domestically, the Act limits company participation to those companies “substantially involved in the United States domestic production, processing, or use” of steel, aluminum or copper.

What are the funding levels for the program?

In 2004, Congress appropriated \$6.7 million for the steel program and \$6.6 million for the aluminum program. The 2005 Budget includes \$3.8 million and \$2.7 million for these programs, respectively.

XXI. PROCEEDINGS OF THE FULL COMMITTEE MARKUP ON H.R. 3890, TO REAUTHORIZE THE STEEL AND ALUMINUM ENERGY CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988

WEDNESDAY, JUNE 16, 2004

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC.

The Committee met, pursuant to call, at 10:10 a.m., in Room 2318 of the Rayburn House Office Building, Hon. Sherwood L. Boehlert [Chairman of the Committee] presiding.

Chairman BOEHLERT. The Committee on Science will be in order. Pursuant to notice, the Committee on Science meets today to consider the following measures: H.R. 3890, *To Reauthorize the Steel and Aluminum Conservation and Technology Competitiveness Act of 1988*; H.R. 3598, *Manufacturing Technology Competitiveness Act of 2004*; H.R. 4218, *High-Performance Computing Revitalization Act of 2004*; and H.R. 4516, *Department of Energy High-End Computing Revitalization Act of 2004*. I ask unanimous consent for the authority to recess the Committee at any point during consideration of these matters. And without objection, it is so ordered.

We will now proceed with opening statements, and I will lead off.

I am going to keep my remarks very brief, because we have a long markup ahead of us. I would simply point out that once again we have come up with a good set of bipartisan bills that prepare our nation for the future. We have Ms. Hart's metals bill, which will help our nation save energy, helping the steel and aluminum industries remain competitive by helping our nation become less dependent on foreign sources of energy, all worthy goals. We have Ms. Biggert's computing bill—bills, which will revitalize our high-performance computing efforts, enabling our scientists and computing industry to excel as they face new challenges from abroad. And we have Dr. Ehlers' manufacturing bill, which will help our smaller manufacturers stay up-to-date and competitive. All of these bills reflect significant contributions from the Minority and have lead Minority co-sponsors, whom I am sure Mr. Gordon will acknowledge.

Our debate today will be prolonged, but it won't be on fundamental goals or principles. It will be about whether to do even more in the manufacturing bill. I think we need to get this measure through before we take on additional issues. We will have live-

ly discussion on that, but we are united on trying to do everything possible for our manufacturers.

With that, let the games begin.

Mr. Gordon.

[The prepared statement of Chairman Boehlert follows:]

PREPARED STATEMENT OF CHAIRMAN SHERWOOD BOEHLERT

I'm going to keep my remarks very brief because we have a long markup ahead of us.

I would simply point out that once again we've come with a good set of bipartisan bills that prepare our nation for the future. We have Ms. Hart's metals bill, which will help our nation save energy, helping the steel and aluminum industry remain competitive while helping our nation become less dependent on foreign sources of energy. We have Ms. Biggert's computing bills, which will revitalize our high-performance computing efforts, enabling our scientists and computing industry to excel as they face new challenges from abroad. And we have Mr. Ehlers manufacturing bill, which will help our smaller manufacturers stay up-to-date and competitive.

All these bills reflect significant contributions from the Minority and have lead Minority co-sponsors, whom I'm sure Mr. Gordon will acknowledge.

Our debate today will be prolonged, but it won't be on fundamental goals or first principles. It will be about whether to do even more in the manufacturing bill. I think we need to get this measure through before we take on additional issues. We'll have lively discussion on that, but we are united on trying to do everything possible for our manufacturers.

With that, let the games begin.

Mr. Gordon.

Mr. GORDON. Thank you, Mr. Chairman. Let me say that we are pleased at the bipartisan cooperation we have experienced in the development of three of the bills considered today: H.R. 3890, *To Reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*; H.R. 4516, the *Department of Energy High-End Computing Revitalization Act of 2004*; and H.R. 4218, the *High-Performance Computing Revitalization Act of 2004*.

With regard to H.R. 4218 and H.R. 4516, we believe the Committee is making a major contribution to reinvigorating high-end computing at a time when traditional U.S. lead is under vigorous challenge. We are depending on this program to increase ability to understand huge data sets across a wide spectrum of programs ranging from advanced manufacturing to weather prediction.

The steel industry is one of several industrial sectors that are heavy users of energy and benefit from cooperative research with the Federal Government. We support not only continuing the Department of Energy's program with the steel industry as set out in H.R. 3890, but also strengthening the entire *Industries of the Future Program*.

Unfortunately, though, however, the same level of cooperation did not occur on H.R. 3598 in developing our manufacturing policy. This is particularly disturbing in light of the battering this sector has endured over the last three years. We have no problem with the tentative first steps taken in H.R. 3598, but we do not think it is an adequate response to the problems that have cost the jobs of two million Americans. I will have further comments on this bill when it is called up for consideration.

Thank you.

[The prepared statement of Mr. Gordon follows:]

PREPARED STATEMENT OF REPRESENTATIVE BART GORDON

We are pleased at the bipartisan cooperation we have experienced in the development of three bills to be considered today: H.R. 3890, *To REAUTHORIZE THE STEEL AND ALUMINUM ENERGY CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988*; H.R. 4516, *The Department of Energy High-End Computing Revitalization Act of 2004*; and H.R. 4218, *The High-Performance Computing Revitalization Act of 2004*.

With regard to H.R. 4218 and H.R. 4516, we believe the Committee is making a major contribution to reinvigorating high-end computing at a time when the traditional U.S. lead is under vigorous challenge. We are depending on this program to increase our ability to understand huge data sets across a wide spectrum of problems ranging from advanced manufacturing to weather prediction. The steel industry is one of several industrial sectors that are heavy users of energy that benefit from cooperative research with the Federal Government. We support, not only continuing the Department of Energy's program with the steel industry as set out in H.R. 3890, but also strengthening the entire *Industries of the Future Program*.

Unfortunately, the same level of cooperation did not occur on the H.R. 3598, *The Manufacturing Competitiveness Act of 2004*, in developing our manufacturing policy. This is particularly disturbing in light of the battering this sector has endured over the past three years. We have no problem with the tentative first steps taken in H.R. 3598, but we do not think it is an adequate response to the problems that have cost the jobs of two million Americans. I will have further comments on this bill when it is called up for consideration.

Chairman BOEHLERT. Thank you very much, Mr. Gordon.

Without objection, all Members may place opening statements in the record at this point.

We will now consider H.R. 3890. Now, listen, the balance of the program. We have three bills, and by agreement of both sides, we are going to move these rather rapidly. We are very mindful of the demands on your time. We will now consider H.R. 3890, *To Reauthorize the Steel and Aluminum Conservation and Technology Competitiveness Act of 1988*. I now yield five minutes to Ms. Hart to introduce her bill.

Ms. HART. Thank you, Mr. Chairman. Thank you for scheduling this markup so quickly on the heels of the Subcommittee markup, but I would like to also thank the Subcommittee Chairman, Mrs. Biggert, for moving the bill as well.

H.R. 3890 is a bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, and it is—the purpose of it is to just reauthorize the Act, which has expired. I would authorize federal cost sharing of research in the metals industry. The legislation does this by providing federal incentives for the establishment of public private sector research and development, to develop technologies that will utilize the expertise of the metal industries, and also, the expertise of those that provide process development.

The Act established three goals. And one is energy efficiency, the second is increasing the competitiveness of the United States industry, the metals industry here, and also, improving the environment. The legislation also contains something that I think is extremely important, and that is a payback provision. It requires a federal share, or a portion of the federal share, to be repaid out of the net proceeds of the commercialization of the developed technology.

This has several advantages. Obviously, first, by compelling commercialization, it focuses these—the decision for which projects will be funded on those projects which have the best chance of commercial success, and also, the metals initiative requires that there be

a commercialization partner, that is a business, that will be involved in the project from the beginning, and it will be the responsibility of that business to deliver this technology to market.

The reason we need the reauthorization is that the partnership has been concluded, even though the Act—the part—excuse me, has been continued even after the Act expired, but it is important, in my opinion, to continue it, because the funding has been inconsistent. For Fiscal Year 2005, the Administration only recommended a total of \$6.5 million, which is \$3.8 million for steel, \$2.7 million for aluminum, which is half of what was provided in the prior year of 2004.

This legislation would simply reauthorize the Act, and continue it until 2009, and at a consistent funding level. Over the years of this Act, 58 steel companies and 23 research organizations have participated and benefited from the program, creating a stronger industry, creating jobs, and obviously, helping us to be competitive worldwide.

Two of those companies, as the Members may recall, did participate in a hearing before the Subcommittee, and one of them, Integ Process Group, the other, United States Steel, testified about the positive effects of this initiative, and their hopes for the future of this initiative, has continued.

I believe it is a great bill for industry. It is good for energy consumption, and it is good for the environment, and by partnering with industry, it provides a great bang for the government dollar.

I ask the Members for their support, and I yield back, Mr. Chairman.

Chairman BOEHLERT.—presentation. The Chair now recognizes. The Chair now recognizes Mr. Gordon.

Mr. GORDON. I want to commend Congresswoman Hart for her work on H.R. 3890, for a variety of reasons, and which I won't go to today, because of our need for brevity, but I urge the support of this bill.

Chairman BOEHLERT. Thank you very much. Without objection, all Members may place opening statements in the record at this point. I ask unanimous consent that the bill is considered as read and opened to amendment at any point, and that the Members proceed with the amendments in the order of the roster.

Without objection, so ordered. The first amendment on the roster is an amendment in the nature of a substitute, offered by Ms. Hart. I ask unanimous consent that the amendment in the nature of a substitute be treated as original text for purpose of amendment under the five-minute rule. Without objection, so ordered. Ms. Hart?

Ms. HART. Thank you, Mr. Chairman. I mentioned the continuation of funding through this legislation, and what we do in the amendment.

Chairman BOEHLERT. Do you have the amendment—

Ms. HART. I am sorry.

Chairman BOEHLERT.—desk. Clerk, report the amendment.

Ms. HART. Thanks.

Ms. TESSIERI. Amendment in the nature of a substitute to H.R. 3890, offered by Ms. Hart.

[Note: See the Appendix for the Amendment offered by Ms. Hart.]

Chairman BOEHLERT. The gentlelady is recognized.

Ms. HART. Thank you, Mr. Chairman. I apologize for starting too soon. Basically, there are some technical corrections in the amendment. One is that the development of an initiative for aluminum is removed, because the Department of Energy has already done that, and the other is regarding the consistent funding, we actually replace \$10 million with \$20 million, so that the funding will be more significant. Thank you, Mr. Chairman.

Chairman BOEHLERT. Thank you very much. If there is no further discussion on the amendment, the next amendment is on the roster, amendment number 2, an amendment offered by the gentleman from Minnesota. Are you ready to proceed?

Mr. GUTKNECHT. Yes, Mr. Chairman.

Chairman BOEHLERT. You are recognized. The Clerk will report the amendment.

Ms. TESSIERI. Amendment offered by Mr. Gutknecht to the amendment in the nature of a substitute.

[*Note: See the Appendix for the Amendment offered by Mr. Gutknecht.*]

Chairman BOEHLERT. Mr. Gutknecht is recognized for five minutes.

Mr. GUTKNECHT. Mr. Chairman, I believe this amendment that Ms. Hart will agree to, essentially what it does, because we are, in fairly large sections of the federal budget this year, we are putting in what I would describe as a flexible freeze, and as a Member of the Budget Committee, I think we probably need to follow through in terms of our authorization, and instructing the appropriators. All this really does is—does for this program what we have done for so many other programs, and that is to flatline the budget for this year. The compromise is that in future years, the amount authorized for this program will be allowed to go up. And so I would hope you would support this amendment, and we can move forward with the bill.

Chairman BOEHLERT. Ms. Hart, do you have a word to say in support?

Ms. HART. Yes. I have. My staff and Mr. Gutknecht's staff have worked out an agreement on the amendment, so I do support the amendment.

Chairman BOEHLERT. Is there further discussion on the amendment? If not, the vote occurs on the amendment. All in favor, say aye? Aye. Opposed, no. The ayes appear to have it, and the amendment is agreed to.

Now, we will vote on the amendment in the nature of a substitute. Are there any further amendments to the amendment in the nature of a substitute? Hearing none, the question is on the amendment in the nature of a substitute. All in favor, say aye. Aye. The opposed, say no. The ayes have it, and the amendment in the nature of a substitute is agreed to.

Are there any other amendments? Hearing none, the question is now on the bill, H.R. 3890, *To Reauthorize the Steel and Aluminum Conservation and Technology Competitiveness Act of 1988*, as amended. All those in favor, say aye. Aye. Opposed, no. In the opinion of the Chair, the ayes have it.

I now recognize Mr. Gordon to offer an amendment.

Mr. GORDON. Mr. Chairman, I move that the Committee favorably report H.R. 3890, as amended, to the House with the recommendation that the bill, as amended, do pass. Furthermore, I move that the staff be instructed to prepare the legislative report, and make necessary technical and conforming changes, and that the Chairman take all necessary steps to bring the bill before the House for consideration.

Chairman BOEHLERT. The question is on the motion to report the bill, as amended, favorably. Those in favor of the motion will signify by saying aye. Aye. Opposed, no. The ayes appear to have it, and the resolution is favorably reported. Without objection, the motion to reconsider is laid upon the table. I move that Members have two subsequent calendar days in which to submit supplemental, minority, or additional views on the measure. I move, pursuant to Clause 1 of Rule 22 of the Rules of House of Representatives, that the Committee authorize the Chairman to offer such motions as may be necessary in the House to adopt and pass H.R. 3890, as amended, and to go to conference with the Senate on H.R. 3890, or a similar Senate bill. Without objection, so ordered.

This concludes our Committee markup, and I want to thank those who indulged all of us for so many hours. I want to thank the staff on a bipartisan basis for their outstanding input, that makes these success stories possible.

This committee is adjourned.

[Whereupon, at 2:15 p.m., the Committee was adjourned.]

Appendix:

AMENDMENT ROSTER

**COMMITTEE ON SCIENCE
FULL COMMITTEE MARKUP**

June 16, 2004

AMENDMENT ROSTER**H.R. 3890, To reauthorize the Steel and Aluminum Energy Conservation and
Technology Competitiveness Act of 1988.**

--Motion to adopt the bill, as amended: agreed to by a voice vote.

--Motion to report the bill, as amended: agreed to by a voice vote.

No.	Sponsor	Description	Results
1.	Ms. Hart	Amendment In The Nature of A Substitute to H.R. 3890.	--Adopted by a voice vote.
2.	Mr. Gutknecht	Amendment would limit authorization levels in FY 2005 to no more than appropriated levels in FY 2004.	--Adopted by a voice vote.

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 3890
OFFERED BY MS. HART**

Strike all after the enacting clause and insert the following:

1 SECTION 1. AMENDMENTS.

2 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
3 9 of the Steel and Aluminum Energy Conservation and
4 Technology Competitiveness Act of 1988 (15 U.S.C.
5 5108) is amended to read as follows:

6 “SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

7 “There are authorized to be appropriated to the Sec-
8 retary to carry out this Act \$20,000,000 for each of the
9 fiscal years 2005 through 2009.”.

10 (b) STEEL PROJECT PRIORITIES.—Section 4(e)(1) of
11 the Steel and Aluminum Energy Conservation and Tech-
12 nology Competitiveness Act of 1988 (15 U.S.C.
13 5103(c)(1)) is amended—

14 (1) in subparagraph (H), by striking “coatings
15 for sheet steels” and inserting “sheet and bar
16 steels”; and

17 (2) by adding at the end the following new sub-
18 paragraph:

1 “(K) The development of technologies
2 which reduce greenhouse gas emissions.”.

3 (e) CONFORMING AMENDMENTS.—The Steel and
4 Aluminum Energy Conservation and Technology Competi-
5 tiveness Act of 1988 is further amended—

6 (1) by striking section 7 (15 U.S.C. 5106); and
7 (2) in section 4(b)—

8 (A) in the subsection heading, by inserting
9 “AND REPORT” after “MANAGEMENT PLAN”;

10 (B) by striking “Within 6 months after the
11 date of enactment of this Act” and inserting
12 “Not later than 6 months after the date of en-
13 actment of the Act enacting this sentence”;

14 (C) by striking “to expand steel research
15 and development initiative to include aluminum
16 and”; and

17 (D) by inserting “, and shall transmit such
18 plan to Congress” after “carry out the purposes
19 of this Act”.

**AMENDMENT OFFERED BY MR. GUTKNECHT
TO THE AMENDMENT IN THE NATURE OF A
SUBSTITUTE**

Page 1, lines 8 and 9, strike "\$20,000,000 for each of the fiscal years 2005 through 2009" and insert "for fiscal year 2005, an amount equal to the amount appropriated for the same purposes for fiscal year 2004, and \$20,000,000 for each of the fiscal years 2006 through 2009".