

★
94TH CONGRESS
2D SESSION

H. R. 12112

[Report No. 94-1170, Part I]

ERDA
LOAN
Guarantee
Program

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1976

Mr. TEAGUE introduced the following bill; which was referred to the Committee on Science and Technology

MAY 15, 1976

Reported with an amendment, referred to the Committee on Banking, Currency and Housing and to the Committee on Interstate and Foreign Commerce for a period ending not later than June 10, 1976, for concurrent consideration of such provisions of the bill as fall within the jurisdictions of those committees under Rule X, clause 1(d) and clause 1(1), respectively, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To provide additional assistance to the Energy Research and Development Administration for the advancement of non-nuclear energy research, development, and demonstration.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 ~~That section 7 (a) of the Federal Nonnuclear Energy Re-~~
4 ~~search and Development Act of 1971 (42 U.S.C. 5906) is~~
5 ~~amended—~~

6 ~~(1) by striking out "and" after the semicolon at the~~
7 ~~end of paragraph (5),~~

8 ~~(2) by striking out the period at the end of para-~~
9 ~~graph (6) and inserting in lieu thereof "; and"; and~~

1 such payment (and such subrogation shall be expressly
2 set forth in the guarantee or related agreements), including
3 the authority to complete, maintain, operate, lease, or other-
4 wise dispose of any property acquired pursuant to such
5 guarantee or related agreements, without regard to the pro-
6 visions of the Federal Property and Administrative Services
7 Act of 1949, as amended, ~~except section 807 of that Act~~ (40
8 U.S.C. 488), or any other law, or to permit the borrower,
9 pursuant to an agreement with the Administrator, to continue
10 to pursue the purposes of the demonstration facility if the
11 Administrator determines that this is in the public interest.

12 "(3) In the event of a default on any guarantee under
13 this section, the Administrator shall notify the Attorney
14 General, who shall take such action as may be appropriate
15 to recover the amounts of any payments made under para-
16 graph (1) including any payment of principal and interest
17 under subsection (h) from such assets of the defaulting bor-
18 rower as are associated with the demonstration facility, or
19 from any other security included in the terms of the guarantee.

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20 "(4) For purposes of this section, patents, including any
21 inventions for which a waiver was made by the Administrator
22 under section 9 of this Act, and technology resulting from the
23 demonstration facility, shall be treated as project assets of
24 such facility. The guarantee agreement shall include such
25 detailed terms and conditions as the Administrator deems

1 appropriate to protect the interests of the United States in
2 the case of default and to have available all the patents and
3 technology necessary for any person selected, including, but
4 not limited to, the Administrator to complete and operate the
5 defaulting project. Furthermore, the guarantee agreement
6 shall contain a provision specifying that patents, technology,
7 and other proprietary rights ^{which are owned by the loan recipient} which are necessary for the
8 completion or operation of the demonstration facility shall
9 be available to the United States and its designees on equitable
10 terms, including due consideration to the amount of the
11 United States default payments. [Inventions made or con-
12 ceived in the course of or under such guarantee, title to which
13 is vested in the United States under this Act, shall not be
14 treated as project assets of such facility for disposal purposes
15 under this subsection, unless the Administrator determines in
16 writing that it is in the best interests of the United States to
17 do so.]

18 "(h) With respect to any obligation guaranteed under
19 this section, the Administrator is authorized to enter into a
20 contract to pay, and to pay, holders of the obligation, for
21 and on behalf of the borrower, from the fund established by
22 this section or from the Geothermal Resources Development
23 Fund, as applicable, the principal and interest payments
24 which become due and payable on the unpaid balance of such
25 obligation if the Administrator finds that—

1 “(2) The Administrator, in consultation with the Secre-
2 tary of State, may waive such requirements in the case of a
3 corporation, partnership, firm, or association, controlling in-
4 terest in which is owned by citizens of countries which are
5 participants in the International Energy Agreement.

6 “(q) No part of the program authorized by this section
7 shall be transferred to any other agency or authority, except
8 pursuant to Act of Congress enacted after the date of enact-
9 ment of this section.

10 “(r) Inventions made or conceived in the course of or
11 under a guarantee authorized by this section shall be subject
12 to the title and waiver requirements and conditions of section
13 9 of this Act.

14 “(s) With respect to any obligation which is issued after
15 the enactment of this section by, or in behalf of, any State,
16 political subdivision, or Indian tribe and which is either guar-
17 anteed under, or supported by taxes levied by said issuer
18 which are guaranteed under, this section, the interest paid on
19 such obligation and received by the purchaser thereof (or the
20 purchaser's successor in interest) shall be included in gross
21 income for the purposes of chapter 1 of the Internal Revenue
22 Code of 1954, as amended: Provided, That the Administra-
23 tor shall pay to such issuer out of the fund established by this
24 section such portion of the interest on such obligations, as
25 determined by the Secretary of the Treasury to be appropri-