

1 Organization of Petroleum Exporting Countries
2 (OPEC);

3 (3) revenues from the sale of oil by some of
4 these countries directly or indirectly provide funding
5 for terrorism and propaganda hostile to the values
6 of the United States and the West;

7 (4) in the past, these countries have manipu-
8 lated the dependence of the United States on the oil
9 supplies of these countries to exert undue influence
10 on United States policy, as during the embargo of
11 OPEC during 1973 on the sale of oil to the United
12 States, which became a major factor in the ensuing
13 recession;

14 (5) research by the Energy Information Admin-
15 istration of the Department of Energy has shown
16 that the dependence of the United States on foreign
17 oil will increase by 33 percent over the next 20
18 years;

19 (6) a rise in the price of imported oil sufficient
20 to increase gasoline prices by 10 cents per gallon at
21 the pump would result in an additional outflow of
22 \$18,000,000,000 from the United States to oil-ex-
23 porting nations;

24 (7) for economic and national security reasons,
25 the United States should reduce, as soon as prac-

1 ticable, the dependence of the United States on na-
2 tions that do not share the interests and values of
3 the United States;

4 (8) the State of Israel has been a steadfast ally
5 and a close friend of the United States since the cre-
6 ation of Israel in 1948;

7 (9) like the United States, Israel is a democracy
8 that holds civil rights and liberties in the highest re-
9 gard and is a proponent of the democratic values of
10 peace, freedom, and justice;

11 (10) cooperation between the United States and
12 Israel on such projects as the development of the
13 Arrow Missile has resulted in mutual benefits to
14 United States and Israeli security;

15 (11) the special relationship between Israel and
16 the United States has been and continues to be
17 manifested in a variety of jointly-funded cooperative
18 programs in the field of scientific research and de-
19 velopment, such as—

20 (A) the United States-Israel Binational
21 Science Foundation (BSF);

22 (B) the Israel-United States Binational
23 Agricultural Research and Development Fund
24 (BARD); and

1 (C) the Israel-United States Binational In-
2 dustrial Research and Development (BIRD)
3 Foundation;

4 (12) these programs, supported by the match-
5 ing contributions from the Government of Israel and
6 the Government of the United States and directed
7 by key scientists and academics from both countries,
8 have made possible many scientific breakthroughs in
9 the fields of life sciences, medicine, bioengineering,
10 agriculture, biotechnology, communications, and oth-
11 ers;

12 (13) on February 1, 1996, United States Sec-
13 retary of Energy Hazel R. O’Leary and Israeli Min-
14 ister of Energy and Infrastructure Gonen Segev
15 signed the Agreement Between the Department of
16 Energy of the United States of America and the
17 Ministry of Energy and Infrastructure of Israel Con-
18 cerning Energy Cooperation, to establish a frame-
19 work for collaboration between the United States
20 and Israel in energy research and development ac-
21 tivities;

22 (14) the United States and Israeli governments
23 should promote cooperation in a broad range of
24 projects designed to enhance supplies of nonpetro-

1 leum energy for both countries, and to provide for
2 cutting edge research in each country;

3 (15) Israeli scientists and researchers have long
4 been at the forefront of research and development in
5 the field of alternative renewable energy sources;

6 (16) many of the top corporations of the world
7 have recognized the technological and scientific ex-
8 pertise of Israel by locating important research and
9 development facilities in Israel;

10 (17) among the technological breakthroughs
11 made by Israeli scientists and researchers in the
12 field of alternative, renewable energy sources are—

13 (A) the development of a cathode that uses
14 hexavalent iron salts that accept 3 electrons per
15 ion and enable rechargeable batteries to provide
16 3 times as much electricity as existing recharge-
17 able batteries;

18 (B) the development of a technique that
19 vastly increases the efficiency of using solar en-
20 ergy to generate hydrogen for use in energy
21 cells; and

22 (C) the development of a novel membrane
23 used in new and powerful direct-oxidant fuel
24 cells that is capable of competing favorably with

1 hydrogen fuel cells and traditional internal com-
2 bustion engines; and

3 (18) cooperation between the United States and
4 Israel in the field of research and development of al-
5 ternative renewable energy sources would be in the
6 interests of both countries, and both countries stand
7 to gain much from such cooperation.

8 **SEC. 9323. GRANT PROGRAM.**

9 (a) **AUTHORITY.**—Pursuant to the responsibilities de-
10 scribed in section 102(10), (14), and (17) of the Depart-
11 ment of Energy Organization Act (42 U.S.C. 7112(10),
12 (14), and (17)) and section 103(9) of the Energy Reorga-
13 nization Act of 1974 (42 U.S.C. 5813(9)), the Secretary,
14 in consultation with the BIRD or BSF, shall award grants
15 to eligible entities.

16 (b) **APPLICATION.**—

17 (1) **SUBMISSION OF APPLICATIONS.**—To receive
18 a grant under this section, an eligible entity shall
19 submit an application to the Secretary containing
20 such information and assurances as the Secretary, in
21 consultation with the BIRD or BSF, may require.

22 (2) **SELECTION OF ELIGIBLE ENTITIES.**—The
23 Secretary, in consultation with the Directors of the
24 BIRD and BSF, may review any application sub-
25 mitted by any eligible entity and select any eligible

1 entity meeting criteria established by the Secretary,
2 in consultation with the Advisory Board, for a grant
3 under this section.

4 (c) AMOUNT OF GRANT.—The amount of each grant
5 awarded for a fiscal year under this section shall be deter-
6 mined by the Secretary, in consultation with the BIRD
7 or BSF.

8 (d) RECOUPMENT.—

9 (1) IN GENERAL.—Not later than 180 days
10 after the date of enactment of this Act, the Sec-
11 retary shall establish procedures and criteria for
12 recoupment in connection with any eligible project
13 carried out by an eligible entity that receives a grant
14 under this section, which has led to the development
15 of a product or process which is marketed or used.

16 (2) AMOUNT REQUIRED.—

17 (A) Except as provided in subparagraph
18 (B), such recoupment shall be required as a
19 condition for award and be proportional to the
20 Federal share of the costs of such project, and
21 shall be derived from the proceeds of royalties
22 or licensing fees received in connection with
23 such product or process.

24 (B) In the case where a product or process
25 is used by the recipient of a grant under this

1 section for the production and sale of its own
2 products or processes, the recoupment shall
3 consist of a payment equivalent to the payment
4 which would be made under subparagraph (A).

5 (3) WAIVER.—The Secretary may at any time
6 waive or defer all or some of the recoupment re-
7 quirements of this subsection as necessary, depend-
8 ing on—

9 (A) the commercial competitiveness of the
10 entity or entities developing or using the prod-
11 uct or process;

12 (B) the profitability of the project; and

13 (C) the commercial viability of the product
14 or process utilized.

15 (e) PRIVATE FUNDS.—The Secretary may accept
16 contributions of funds from private sources to carry out
17 this part.

18 (f) OFFICE OF ENERGY EFFICIENCY AND RENEW-
19 ABLE ENERGY.—The Secretary shall carry out this sec-
20 tion through the existing programs at the Office of Energy
21 Efficiency and Renewable Energy.

22 (g) REPORT.—Not later than 180 days after receiv-
23 ing a grant under this section, each recipient shall submit
24 a report to the Secretary—

1 (1) documenting how the recipient used the
2 grant funds; and

3 (2) evaluating the level of success of each
4 project funded by the grant.

5 **SEC. 9324. INTERNATIONAL ENERGY ADVISORY BOARD.**

6 (a) ESTABLISHMENT.—There is established in the
7 Department of Energy an International Energy Advisory
8 Board.

9 (b) DUTIES.—The Advisory Board shall advise the
10 Secretary on—

11 (1) criteria for the recipients of grants awarded
12 under section 9323(a);

13 (2) the total amount of grant money to be
14 awarded to all grantees selected by the Secretary, in
15 consultation with the BIRD; and

16 (3) the total amount of grant money to be
17 awarded to all grantees selected by the Secretary, in
18 consultation with the BSF, for each fiscal year.

19 (c) MEMBERSHIP.—

20 (1) COMPOSITION.—The Advisory Board shall
21 be composed of—

22 (A) 1 member appointed by the Secretary
23 of Commerce;

24 (B) 1 member appointed by the Secretary
25 of Energy; and

1 (C) 2 members who shall be Israeli citi-
2 zens, appointed by the Secretary of Energy
3 after consultation with appropriate officials in
4 the Israeli Government.

5 (2) DEADLINE FOR APPOINTMENTS.—The ini-
6 tial appointments under paragraph (1) shall be
7 made not later than 60 days after the date of enact-
8 ment of this Act.

9 (3) TERM.—Each member of the Advisory
10 Board shall be appointed for a term of 4 years.

11 (4) VACANCIES.—A vacancy on the Advisory
12 Board shall be filled in the manner in which the
13 original appointment was made.

14 (5) BASIC PAY.—

15 (A) COMPENSATION.—A member of the
16 Advisory Board shall serve without pay.

17 (B) TRAVEL EXPENSES.—Each member of
18 the Advisory Board shall receive travel ex-
19 penses, including per diem in lieu of subsist-
20 ence, in accordance with applicable provisions of
21 subchapter I of chapter 57 of title 5, United
22 States Code.

23 (6) QUORUM.—Three members of the Advisory
24 Board shall constitute a quorum.

1 (7) CHAIRPERSON.—The Chairperson of the
2 Advisory Board shall be designated by the Secretary
3 of Energy at the time of the appointment.

4 (8) MEETINGS.—The Advisory Board shall
5 meet at least once annually at the call of the Chair-
6 person.

7 (d) TERMINATION.—Section 14(a)(2)(B) of the Fed-
8 eral Advisory Committee Act (5 U.S.C. App.) shall not
9 apply to the Advisory Board.

10 **SEC. 9325. DEFINITIONS.**

11 In this part:

12 (1) ADVISORY BOARD.—The term “Advisory
13 Board” means the International Energy Advisory
14 Board established by section 9324(a).

15 (2) BIRD.—The term “BIRD” means the
16 Israel-United States Binational Industrial Research
17 and Development Foundation.

18 (3) BSF.—The term “BSF” means the United
19 States-Israel Binational Science Foundation.

20 (4) ELIGIBLE ENTITY.—The term “eligible enti-
21 ty” means a joint venture comprised of both Israeli
22 and United States private business entities or a joint
23 venture comprised of both Israeli academic persons
24 (who reside and work in Israel) and United States
25 academic persons, that—

1 (A) carries out an eligible project; and

2 (B) is selected by the Secretary, in con-
3 sultation with the BIRD or BSF, using the cri-
4 teria established by the Secretary, in consulta-
5 tion with the Advisory Board.

6 (5) ELIGIBLE PROJECT.—The term “eligible
7 project” means a project to encourage cooperation
8 between the United States and Israel on research,
9 development, or commercialization of alternative en-
10 ergy, improved energy efficiency, or renewable en-
11 ergy sources.

12 (6) SECRETARY.—The term “Secretary” means
13 the Secretary of Energy, acting through the Assist-
14 ant Secretary of Energy for Energy Efficiency and
15 Renewable Energy.

16 **SEC. 9326. TERMINATION.**

17 The grant program authorized under section 9323
18 and the Advisory Board shall terminate upon the expira-
19 tion of the 7-year period which begins on the date of the
20 enactment of this Act.

21 **SEC. 9327. AUTHORIZATION OF APPROPRIATIONS.**

22 The Secretary is authorized to expend not more than
23 \$20,000,000 to carry out this part for each of fiscal years
24 2008 through 2014 from funds previously authorized to
25 the Office of Energy Efficiency and Renewable Energy.

1 **SEC. 9328. CONSTITUTIONAL AUTHORITY.**

2 The Constitutional authority on which this part rests
3 is the power of Congress to regulate commerce with for-
4 eign nations as enumerated in Article I, Section 8 of the
5 United States Constitution.

6 **Subtitle E—Advanced Plug-In**
7 **Hybrid Vehicles and Components**

8 **SEC. 9401. ADVANCED BATTERY LOAN GUARANTEE PRO-**
9 **GRAM.**

10 (a) ESTABLISHMENT OF PROGRAM.—The Secretary
11 of Energy shall establish a program to provide guarantees
12 of loans by private institutions for the construction of fa-
13 cilities for the manufacture of advanced vehicle batteries
14 and battery systems that are developed and produced in
15 the United States, including advanced lithium ion bat-
16 teries and hybrid electrical system and component manu-
17 facturers and software designers.

18 (b) REQUIREMENTS.—The Secretary may provide a
19 loan guarantee under subsection (a) to an applicant if—

20 (1) without a loan guarantee, credit is not
21 available to the applicant under reasonable terms or
22 conditions sufficient to finance the construction of a
23 facility described in subsection (a);

24 (2) the prospective earning power of the appli-
25 cant and the character and value of the security
26 pledged provide a reasonable assurance of repayment