

[COMMITTEE PRINT #5]

(SHOWING TEXT OF THE COMMITTEE PRINT AS APPROVED BY THE
SUBCOMMITTEE ON ENERGY AND AIR QUALITY ON JUNE 20, 2007)

110TH CONGRESS
1ST SESSION

H. R. _____

To promote advanced plug-in hybrid vehicles and vehicle components.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To promote advanced plug-in hybrid vehicles and vehicle
components.

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. ADVANCED BATTERY LOAN GUARANTEE PRO-**
4 **GRAM.**

5 (a) ESTABLISHMENT OF PROGRAM.—The Secretary
6 of Energy shall establish a program to provide guarantees
7 of loans by private institutions for the construction of fa-
8 cilities for the manufacture of advanced vehicle batteries

1 and battery systems that are developed and produced in
2 the United States, including advanced lithium ion bat-
3 teries and hybrid electrical system and component manu-
4 facturers and software designers.

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

7 (1) without a loan guarantee, credit is not
8 available to the applicant under reasonable terms or
9 conditions sufficient to finance the construction of a
10 facility described in subsection (a);

11 (2) the prospective earning power of the appli-
12 cant and the character and value of the security
13 pledged provide a reasonable assurance of repayment
14 of the loan to be guaranteed in accordance with the
15 terms of the loan; and

16 (3) the loan bears interest at a rate determined
17 by the Secretary to be reasonable, taking into ac-
18 count the current average yield on outstanding obli-
19 gations of the United States with remaining periods
20 of maturity comparable to the maturity of the loan.

21 (c) CRITERIA.—In selecting recipients of loan guar-
22 antees from among applicants, the Secretary shall give
23 preference to proposals that—

24 (1) meet all applicable Federal and State per-
25 mitting requirements;

1 (2) are most likely to be successful; and

2 (3) are located in local markets that have the
3 greatest need for the facility.

4 (d) MATURITY.—A loan guaranteed under subsection
5 (a) shall have a maturity of not more than 20 years.

6 (e) TERMS AND CONDITIONS.—The loan agreement
7 for a loan guaranteed under subsection (a) shall provide
8 that no provision of the loan agreement may be amended
9 or waived without the consent of the Secretary.

10 (f) ASSURANCE OF REPAYMENT.—The Secretary
11 shall require that an applicant for a loan guarantee under
12 subsection (a) provide an assurance of repayment in the
13 form of a performance bond, insurance, collateral, or other
14 means acceptable to the Secretary in an amount equal to
15 not less than 20 percent of the amount of the loan.

16 (g) GUARANTEE FEE.—The recipient of a loan guar-
17 antee under subsection (a) shall pay the Secretary an
18 amount determined by the Secretary to be sufficient to
19 cover the administrative costs of the Secretary relating to
20 the loan guarantee.

21 (h) FULL FAITH AND CREDIT.—The full faith and
22 credit of the United States is pledged to the payment of
23 all guarantees made under this section. Any such guar-
24 antee made by the Secretary shall be conclusive evidence
25 of the eligibility of the loan for the guarantee with respect

1 to principal and interest. The validity of the guarantee
2 shall be incontestable in the hands of a holder of the guar-
3 anteed loan.

4 (i) REPORTS.—Until each guaranteed loan under this
5 section has been repaid in full, the Secretary shall annu-
6 ally submit to Congress a report on the activities of the
7 Secretary under this section.

8 (j) AUTHORIZATION OF APPROPRIATIONS.—There
9 are authorized to be appropriated such sums as are nec-
10 essary to carry out this section.

11 (k) TERMINATION OF AUTHORITY.—The authority of
12 the Secretary to issue a loan guarantee under subsection
13 (a) terminates on the date that is 10 years after the date
14 of enactment of this Act.

15 **SEC. 2. DOMESTIC MANUFACTURING CONVERSION GRANT**
16 **PROGRAM.**

17 Section 712 of the Energy Policy Act of 2005 (42
18 U.S.C. 16062) is amended—

19 (1) in subsection (a)—

20 (A) by inserting “and components thereof”
21 after “sales of efficient hybrid and advanced
22 diesel vehicles”;

23 (B) by inserting “and hybrid component
24 manufacturers” after “grants to automobile
25 manufacturers”;

1 (C) by inserting “, plug-in electric hybrid,”
2 after “production of efficient hybrid”;

3 (D) by inserting “and suppliers” after
4 “automobile manufacturers”; and

5 (E) by adding at the end the following:
6 “Priority shall be given to the refurbishment or
7 retooling of manufacturing facilities that have
8 recently ceased operation or will cease operation
9 in the near future.”; and

10 (2) by striking subsection (b) and inserting the
11 following:

12 “(b) COORDINATION WITH STATE AND LOCAL PRO-
13 GRAMS.—The Secretary may coordinate implementation of
14 this section with State and local programs designed to ac-
15 complish similar goals, including the retention and retrain-
16 ing of skilled workers from the such manufacturing facili-
17 ties, including by establishing matching grant arrange-
18 ments.

19 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
20 are authorized to be appropriated to the Secretary such
21 sums as may be necessary to carry out this section.”.

22 **SEC. 3. PLUG-IN HYBRID VEHICLE PROGRAM.**

23 (a) PLUG-IN ELECTRIC DRIVE VEHICLE PRO-
24 GRAM.—

1 (1) ESTABLISHMENT.—The Secretary of En-
2 ergy (in this section referred to as the “Secretary”)
3 shall establish a competitive program to provide
4 grants on a cost-shared basis to State governments,
5 local governments, metropolitan transportation au-
6 thorities, air pollution control districts, private or
7 nonprofit entities or combinations thereof, to carry
8 out a project or projects to encourage the use of
9 plug-in electric drive vehicles or other emerging elec-
10 tric vehicle technologies, as determined by the Sec-
11 retary.

12 (2) ADMINISTRATION.—The Secretary shall es-
13 tablish requirements for applications for grants
14 under this section, including reporting of data to be
15 summarized for dissemination to the Department,
16 other grantees, and the public, including vehicle and
17 component performance and vehicle and component
18 life cycle costs.

19 (3) SELECTION CRITERIA.—

20 (A) PRIORITY.—When making awards
21 under this subsection, the Secretary shall give
22 priority consideration to applications that en-
23 courage early widespread utilization of such ve-
24 hicles and are likely to make a significant con-

1 tribution to the advancement of the production
2 of such vehicles in the United States.

3 (B) SCOPE OF PROGRAMS.—When making
4 awards under this subsection, the Secretary
5 shall ensure that the programs will maximize
6 diversity in applications, manufacturers, end-
7 uses and vehicle control systems.

8 (4) AUTHORIZATIONS OF APPROPRIATIONS.—
9 There are authorized to be appropriated to the Sec-
10 retary to carry out the program under this sub-
11 section, such sums as may be necessary.

12 (b) ELECTRIC DRIVE EDUCATION PROGRAM.—

13 (1) IN GENERAL.—The Secretary shall develop
14 a nationwide electric drive transportation education
15 program under which the Secretary shall provide—

16 (A) teaching materials to secondary schools
17 and high schools; and

18 (B) assistance for programs relating to
19 electric drive system and component engineer-
20 ing to institutions of higher education.

21 (2) ELECTRIC VEHICLE COMPETITION.—The
22 program established under paragraph (1) shall in-
23 clude a plug-in hybrid electric vehicle competition for
24 institutions of higher education, which shall be

1 known as the “Dr. Andrew Frank Plug-In Hybrid
2 Electric Vehicle Competition”.

3 (3) ENGINEERS.—In carrying out the program
4 established under paragraph (1), the Secretary shall
5 provide financial assistance to institutions of higher
6 education to create new, or support existing, degree
7 programs to ensure the availability of trained elec-
8 trical and mechanical engineers with the skills nec-
9 essary for the advancement of—

10 (A) plug-in electric drive vehicles; and

11 (B) other forms of electric drive vehicles.

12 (4) AUTHORIZATION OF APPROPRIATIONS.—
13 There are authorized to be appropriated to the Sec-
14 retary to carry out this subsection such sums as may
15 be necessary.

16 **SEC. 4. INCENTIVE FOR FEDERAL AND STATE FLEETS FOR**
17 **MEDIUM AND HEAVY DUTY HYBRIDS.**

18 Section 301 of the Energy Policy Act of 1992 (42
19 U.S.C. 13211) is amended—

20 (1) in paragraph (3), by striking “or a dual
21 fueled vehicle” and inserting “, a dual fueled vehicle,
22 or a medium or heavy duty vehicle that is a hybrid
23 vehicle”;

1 (2) by redesignating paragraphs (11), (12),
2 (13), and (14) as paragraphs (12), (14), (15), and
3 (16), respectively;

4 (3) by inserting after paragraph (10) the fol-
5 lowing new paragraph:

6 “(11) the term ‘hybrid vehicle’ means a vehicle
7 powered both by a diesel or gasoline engine and an
8 electric motor that is recharged as the vehicle oper-
9 ates;” and

10 (4) by inserting after paragraph (12) (as so re-
11 designated by paragraph (2) of this section) the fol-
12 lowing new paragraph:

13 “(13) the term ‘medium or heavy duty vehicle’
14 means a vehicle that—

15 “(A) in the case of a medium duty vehicle,
16 has a gross vehicle weight rating of more than
17 8,500 pounds but not more than 14,000
18 pounds; and

19 “(B) in the case of a heavy duty vehicle,
20 has a gross vehicle weight rating of more than
21 14,000 pounds;”.

22 **SEC. 5. INCLUSION OF ELECTRIC DRIVE IN ENERGY POLICY**
23 **ACT OF 1992.**

24 Section 508 of the Energy Policy Act of 1992 (42
25 U.S.C. 13258) is amended—

1 (1) by striking “The Secretary” in subsection
2 (a) and inserting “(1) The Secretary”; and

3 (2) by adding at the end of subsection (a) the
4 following:

5 “(2) Not later than January 31, 2009, the Secretary
6 shall allocate credit in an amount to be determined by the
7 Secretary for acquisition of—

8 “(A) a hybrid electric vehicle;

9 “(B) a plug-in hybrid electric vehicle;

10 “(C) a fuel cell electric vehicle;

11 “(D) a neighborhood electric vehicle; or

12 “(E) a medium-duty or heavy-duty electric, hy-
13 brid electric, or plug-in hybrid electric vehicle.”; and

14 (3) by adding at the end the following:

15 “(e) DEFINITIONS.—In this section:

16 “(1) FUEL CELL ELECTRIC VEHICLE.—The
17 term ‘fuel cell electric vehicle’ means an on-road or
18 nonroad vehicle that uses a fuel cell (as defined in
19 section 803 of the Spark M. Matsunaga Hydrogen
20 Research, Development, and Demonstration Act of
21 2005 (42 U.S.C. 16152).

22 “(2) HYBRID ELECTRIC VEHICLE.—The term
23 ‘hybrid electric vehicle’ means a new qualified hybrid
24 motor vehicle (as defined in section 30B(d)(3) of the
25 Internal Revenue Code of 1986).

1 “(3) MEDIUM-DUTY OR HEAVY-DUTY ELECTRIC,
2 HYBRID ELECTRIC, OR PLUG-IN HYBRID ELECTRIC
3 VEHICLE.—The term ‘medium-duty or heavy-duty
4 electric, hybrid electric, or plug-in hybrid electric ve-
5 hicle’ is an electric, hybrid electric, or plug-in hybrid
6 electric motor vehicle greater than 8,501 pounds
7 gross vehicle rating.

8 “(4) NEIGHBORHOOD ELECTRIC VEHICLE.—
9 The term ‘neighborhood electric vehicle’ means a 4-
10 wheeled on-road or nonroad vehicle, with a top at-
11 tainable speed in 1 mile of more than 20 mph and
12 not more than 25 mph on a paved level surface, that
13 is propelled by an electric motor and on board, re-
14 chargeable energy storage system that is recharge-
15 able using an off-board source of electricity.

16 “(5) PLUG-IN HYBRID ELECTRIC VEHICLE.—
17 The term ‘plug-in hybrid electric vehicle’ means a
18 light-duty, medium-duty, or heavy-duty on-road or
19 nonroad vehicle that is propelled by any combination
20 of—

21 “(A) an electric motor and on-board, re-
22 chargeable energy storage system capable of op-
23 erating the vehicle in intermittent or continuous
24 all-electric mode and which is rechargeable
25 using an off-board source of electricity; and

1 “(B) an internal combustion engine or
2 heat engine using any combustible fuel.

3 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to carry out this section
5 such sums as are necessary for each of fiscal years 2008
6 through 2013.”.