

REFERENCES IN TEXT

Sections 4495 and 4498 of title 26, referred to in subsecs. (b)(1) and (f), were repealed by Pub. L. 105-34, title XIV, §1432(b)(1), Aug. 5, 1997, 111 Stat. 1050.

CODIFICATION

Section was enacted as part of title IV of Pub. L. 96-283, and not as part of title III of Pub. L. 96-283, which comprises this subchapter.

AMENDMENTS

1986—Subsec. (b)(1). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c)(1) of this section relating to the duty of the Secretary of the Treasury to report annually to Congress, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 143 of House Document No. 103-7.

§ 1473. Revenue and customs or tariff treatment of deep seabed mining unaffected

Except as otherwise provided in sections 4495 to 4498¹ of title 26, nothing in this chapter shall affect the application of title 26. Nothing in this chapter shall affect the application of the customs or tariff laws of the United States.

(Pub. L. 96-283, title IV, §404, June 28, 1980, 94 Stat. 586; Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2095.)

REFERENCES IN TEXT

Sections 4495 to 4498 of title 26, referred to in text, were in the original “section 402”, meaning section 402 of Pub. L. 96-283, title IV, June 28, 1980, 94 Stat. 582, which enacted sections 4495 to 4498 of Title 26, Internal Revenue Code, and enacted a provision set out as a note under section 4495 of Title 26. Sections 4495 to 4498 of title 26 were repealed by Pub. L. 105-34, title XIV, §1432(b)(1), Aug. 5, 1997, 111 Stat. 1050.

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96-283, June 28, 1980, 94 Stat. 553, as amended, known as the Deep Seabed Hard Mineral Resources Act, which is classified principally to this chapter (§1401 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1401 of this title and Tables.

CODIFICATION

Section was enacted as part of title IV of Pub. L. 96-283, and not as part of title III of Pub. L. 96-283 which comprises this subchapter.

AMENDMENTS

1986—Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

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§ 1501. Congressional statement of findings

The Congress finds that—

(1) domestic geothermal reserves can be developed into regionally significant energy sources promoting the economic health and national security of the Nation;

(2) there are institutional and economic barriers to the commercialization of geothermal technology; and

(3) Federal agencies should consider the use of geothermal energy in the Government's buildings.

(Pub. L. 96-294, title VI, §602, June 30, 1980, 94 Stat. 763.)

SHORT TITLE

Pub. L. 96-294, title VI, §601, June 30, 1980, 94 Stat. 763, provided that: “This title [enacting this chapter and sections 1146 and 1147 of this title and amending sections 1141 and 1143 of this title and sections 796, 824a-3, 824i, and 824j of Title 16, Conservation] may be cited as the ‘Geothermal Energy Act of 1980.’”

SUBCHAPTER I—PROJECT LOANS

§ 1511. Loans for geothermal reservoir confirmation

(a) Authorization; purposes

The Secretary of Energy (hereafter in this chapter referred to as the “Secretary”) is authorized to make a loan to any person, from funds appropriated (pursuant to this subchapter) to the Geothermal Resources Development Fund established under section 1144 of this title, to assist such person in undertaking and carrying out a project which (1) is designed to explore for or determine the economic viability of a geothermal reservoir and (2) consists of surface exploration and the drilling of one or more exploratory wells.

(b) Repayment rates

Subject to subsection (c) and to section 1513(b) of this title, any loan under subsection (a) shall be repayable out of revenue from production of the geothermal energy reservoir with respect to which the loan was made, at a rate, in any year, not to exceed 20 per centum of the gross revenue from the reservoir in that year; except that if any disposition of the geothermal rights to the reservoir is made to one or more other persons by the borrower, the full amount of the loan balance outstanding, or so much of the loan balance outstanding as is equal to the full amount of the compensation realized by the borrower

upon such disposition, whichever is less, shall be repaid immediately. In any case where the reservoir is confirmed (as determined by the Secretary), the Secretary may impute a reasonable revenue for purposes of determining repayment if—

- (1) reasonable efforts are not made to put such reservoir in commercial operation,
- (2) the borrower (or any such other person) utilizes the resources of the reservoir without a sale of the energy or geothermal energy resources therefrom, or
- (3) a sale of energy or geothermal energy resources from the reservoir is made for an unreasonably low price;

except that no such imputation of revenue shall be made during the three-year period immediately following such reservoir confirmation. In the event of failure to begin production of revenue (or, where no sale of energy or geothermal energy resources is made, to begin production of energy for commercial use) within five years after the date of such reservoir confirmation, the Secretary may take action to recover the value, not to exceed the amount of the unpaid balance of the loan plus any accrued interest thereon, of any assets of the project in question, including resource rights.

(c) Cancellation of unpaid balance and accrued interest

The Secretary may at any time cancel the unpaid balance and any accrued interest on any loan made under this section if he determines, on the basis of evidence presented by the loan recipient or otherwise, that the geothermal energy reservoir with respect to which the loan was made has characteristics which make that reservoir economically or technically unacceptable for commercial development.

(d) "Person" defined

As used in this subchapter, the term "person" includes municipalities, electric cooperatives, industrial development agencies, nonprofit organizations, and Indian tribes, as well as the entities included within such term under section 1 of title 1.

(Pub. L. 96-294, title VI, §611, June 30, 1980, 94 Stat. 763.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original "this title", meaning title VI of Pub. L. 96-294, June 30, 1980, 94 Stat. 763, known as the Geothermal Energy Act of 1980. For complete classification of title VI to the Code, see Short Title note set out under section 1501 of this title and Tables.

§ 1512. Loan size limitation

The amount of any loan made under section 1511(a) of this title with respect to a project described in that section shall not exceed 50 percent of the cost of such project; except that if the loan is made to a person proposing to make application of the resources of the reservoir involved primarily for space heating or cooling or process heat for one or more structures or facilities then existing or under construction, the loan may be in any amount up to 90 per centum of such cost. In any event no loan shall be made in an amount in excess of \$3,000,000.

(Pub. L. 96-294, title VI, §612, June 30, 1980, 94 Stat. 764.)

§ 1513. Loan interest rates; repayment periods

(a) Each loan made under section 1511 of this title shall bear interest at a discount or interest rate equal to the rate in effect (at the time the loan is made) for water resources planning projects under section 80 of the Water Resources Development Act of 1974 (42 U.S.C. 1962(d)-17(a)).¹

(b) Each such loan shall be for a term which the Secretary deems appropriate, except that no loan term shall exceed twenty years beyond the date on which production of energy or geothermal energy resources begins from the reservoir involved. If revenues are inadequate (as determined by the Secretary) to fully repay the principal and accrued interest within twenty years after production begins, any remaining unpaid amounts shall be forgiven.

(Pub. L. 96-294, title VI, §613, June 30, 1980, 94 Stat. 764.)

§ 1514. Program termination

No new loans shall be made under this subchapter after September 30, 1986. Amounts repaid on or before September 30, 1986, on loans theretofore made under section 1511 of this title shall be deposited in the Geothermal Resources Development Fund for purposes of this subchapter. Amounts repaid after that date on loans theretofore made under section 1511 of this title, and amounts deposited in the Fund for purposes of this subchapter which remain in the Fund after that date and are not required to secure outstanding obligations under this subchapter, shall be deposited into the United States Treasury as miscellaneous receipts.

(Pub. L. 96-294, title VI, §614, June 30, 1980, 94 Stat. 764.)

§ 1515. Regulations

The Secretary shall promulgate regulations to carry out this subchapter no later than six months after June 30, 1980.

(Pub. L. 96-294, title VI, §615, June 30, 1980, 94 Stat. 764.)

§ 1516. Authorizations

There are hereby authorized to be appropriated for loans under this subchapter not to exceed \$5,000,000 for fiscal year 1981, and not to exceed \$20,000,000 for each of the four succeeding fiscal years. Amounts so appropriated shall be deposited in the Geothermal Resources Development Fund for purposes of this subchapter, and shall remain available for such purposes until expended.

(Pub. L. 96-294, title VI, §616, June 30, 1980, 94 Stat. 765.)

¹ So in original. Should be "(42 U.S.C. 1962d-17(a))."