

(k) Reinsurance agreements; procedures applicable; criteria; report to Congress

The Secretary may enter into agreements to reinsure any private insurer for any risk associated with insurance for the development and utilization of a geothermal resource and associated reservoir, using the procedures set forth in subsections (c) through (i), to the extent that he deems it appropriate in order to provide an incentive for the participation of the private insurance industry in geothermal development; and he may also use any other available authority to obtain such participation. The Secretary shall submit a report to the Congress, within one year after the enactment of the law referred to in subsection (a), on the need for any additional authority to obtain such participation.

(Pub. L. 96-294, title VI, §622, June 30, 1980, 94 Stat. 765.)

REFERENCES IN TEXT

Section 27A of the Merchant Marine Act, 1920, referred to in subsec. (b)(7), is section 27A of act June 5, 1920, ch. 250, as added Pub. L. 85-902, Sept. 2, 1958, 72 Stat. 1736, which was classified to section 883-1 of the former Appendix to Title 46, Shipping, and was repealed and restated in section 12118 of Title 46, Shipping, by Pub. L. 109-304, §§5, 19, Oct. 6, 2006, 120 Stat. 1491, 1710.

This Act, referred to in subsec. (i), is Pub. L. 96-294, June 30, 1980, 94 Stat. 611, as amended, known as the Energy Security Act. For complete classification of this Act to the Code, see Short Title note set out under section 8801 of Title 42, The Public Health and Welfare, and Tables.

CODIFICATION

In subsec. (b)(7), "section 50501 of title 46" substituted for "section 2(a)-(c) of the Shipping Act, 1916 (46 U.S.C. 802)" on authority of Pub. L. 109-304, §18(c), Oct. 6, 2006, 120 Stat. 1709, which Act enacted section 50501 of Title 46, Shipping.

SUBCHAPTER III—ESTABLISHMENT OF ASSISTANCE PROGRAM

§ 1531. Feasibility study loan program

(a) Authorization; purposes

The Secretary is authorized and directed to establish a program of assistance for the accelerated development of geothermal resources for nonelectric applications by geothermal utility districts, geothermal industrial development districts, and other persons.

(b) Maximum amount of loan for costs of administration; cancellation of unpaid balance and accrued interest

(1) In providing assistance under the program established pursuant to subsection (a), the Secretary is authorized to make a loan to any person to defray up to 90 per centum of the costs of (A) studies to determine the feasibility of any geothermal development described in such subsection, and (B) preparing applications for any necessary licenses or other Federal, State, and local approvals respecting such development.

(2) The Secretary may cancel the unpaid balance and any accrued interest on any loan granted for a study pursuant to clause (A) of paragraph (1) if he determines, on the basis of the study, that the geothermal development is not technically or economically feasible.

(c) Maximum amount of loan for costs of construction

In providing assistance under such program, the Secretary is also authorized to make a loan to any person to defray up to 75 per centum of the costs directly related to the construction of a system or systems for nonelectric geothermal development pursuant to such subsection, where the Secretary finds that—

(1) all necessary licenses and other required Federal, State, and local approvals for construction of such system or systems have been or will be issued,

(2) the project involved will comply with all applicable laws relating to protection of the environment, and

(3) the applicant requires such assistance to undertake and complete the project.

(d) Interest rate; term

Each loan made pursuant to this section 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 Each loan shall be for such term as the Secretary deems appropriate, but not in excess of ten years for loans under subsection (b) or thirty years for loans under subsection (c).

(e) Funding; deposit of amount repaid

Loans pursuant to this section shall be made from funds appropriated (pursuant to this subchapter) to the Geothermal Resources Development Fund established under section 1144 of this title; and amounts repaid on such loans shall be deposited in the Geothermal Resources Development Fund for purposes of this subchapter.

(f) Authorization of appropriations

For loans under clause (A) of subsection (b)(1) for fiscal year 1981, there is authorized to be appropriated to the Geothermal Resources Development Fund not to exceed \$5,000,000, which shall remain available until expended. For loans under such clause (A) for subsequent fiscal years, and for loans under clause (B) of subsection (b)(1) or under subsection (c) (for any such subsequent fiscal year), there may be appropriated to such Fund only such sums as are authorized by legislation hereafter enacted.

(g) "Person" defined

As used in this section, the term "person" includes municipalities, cooperatives, industrial development agencies, nonprofit organizations, and Indian tribes, as well as the districts referred to in subsection (a) and the other entities included within such term under section 1 of title 1.

(Pub. L. 96-294, title VI, §631, June 30, 1980, 94 Stat. 767.)

SUBCHAPTER IV—FEDERAL FACILITIES

§ 1541. Use of geothermal energy in Federal facilities

The option of using geothermal energy or geothermal energy resources shall be considered

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