

termine (A) if the purchase or lease of the number of such vehicles specified in such subsection (c)(1) or (c)(2) will, with high probability, displace the normal level of private procurement of such vehicles which would conform to the applicable performance standards promulgated pursuant to subsection (b) and which would be used in the United States, and (B) if such displacement will occur, the necessary extent of such displacement in order to carry out the purposes of this chapter.

(2) The Secretary of Energy shall reduce the number of vehicles for which he shall contract for the purchase or lease under subsection (c)(1) or (c)(2) by the number determined under subsection (e)(1)(A) as modified by subsection (e)(1)(B), except in no event shall he contract for the purchase or lease pursuant to subsection (c)(1) of less than 1,000 electric or hybrid vehicles, and in no event shall he contract for the purchase or lease pursuant to subsection (c)(2) of less than 2,500 advanced electric or hybrid vehicles unless he determines on the basis of responses to the solicitations for proposals for such contracts, under the provisions of subsections (c)(1) and (c)(2) that lesser numbers of such vehicles which satisfy the applicable performance standards will be available within the delivery periods. All other provisions of subsection (c) shall apply.

(Pub. L. 94-413, §7, Sept. 17, 1976, 90 Stat. 1263; Pub. L. 95-91, title III, §301(a), Aug. 4, 1977, 91 Stat. 577; Pub. L. 95-238, title VI, §601, Feb. 25, 1978, 92 Stat. 91; Pub. L. 96-470, title I, §105, Oct. 19, 1980, 94 Stat. 2238; Pub. L. 97-375, title I, §106(b), Dec. 21, 1982, 96 Stat. 1820; Pub. L. 103-437, §5(d)(1), Nov. 2, 1994, 108 Stat. 4582; Pub. L. 113-235, div. H, title I, §1301(b), Dec. 16, 2014, 128 Stat. 2537.)

#### AMENDMENTS

1994—Subsec. (b)(4). Pub. L. 103-437 substituted “Committee on Science, Space, and Technology” for “Committee on Science and Technology”.

1982—Subsec. (e)(1). Pub. L. 97-375 struck out provision that at the time any determination on the displacement of private procurement of hybrid vehicles was made, that Secretary of Energy transmit such determination, with relevant supporting information, to the Committee on Science and Technology of the House and the Committee on Commerce, Science, and Transportation of the Senate.

1980—Subsec. (c)(4). Pub. L. 96-470 struck out par. (4) which provided that if the Administrator determines on the basis of his annual review of the program that at least 200 vehicles cannot be added to the project during fiscal year 1978, at least 600 during fiscal year 1979, at least 1,700 during fiscal year 1980, and at least 7,500 in the aggregate during the fiscal years 1981 through 1984, he immediately forward a detailed explanation to Congress.

1978—Subsec. (b)(3). Pub. L. 95-238, §601(a), struck out requirement that rules promulgated under par. (1) be amended not later than 6 months prior to the date for contracts specified in subsec. (c)(2) of this section.

Subsec. (b)(4). Pub. L. 95-238, §601(b), substituted provisions relating to transmission of standards developed under par. (1) and all revised standards established in connection with the demonstrations specified in subsec. (c)(2) of this section, for provisions relating to transmission of standards developed under par. (1) as revised and currently in effect prior to contracts for the production of vehicles under subsec. (c)(2) of this section.

Subsec. (c). Pub. L. 95-238, §601(c), in par. (1) substituted provisions relating to the first contracts for purchase or lease of vehicles and delivery of such vehicles, for provisions relating to contracts for the purchase or lease of 2,500 vehicles and delivery of such vehicles within 39 months after Sept. 17, 1976, in par. (2) substituted provisions relating to contracts for the purchase or lease of additional vehicles which satisfy amended performance standards and are improvements in the state-of-the-art and criteria for demonstrations, for provisions relating to contracts for the purchase or lease of 5,000 advanced vehicles and delivery of such vehicles within 72 months after Sept. 17, 1976, with an extension of the delivery period for 6 additional months, and added pars. (3) and (4).

#### CHANGE OF NAME

“Government Publishing Office” substituted for “Government Printing Office” in subsec. (d)(3) on authority of section 1301(b) of Pub. L. 113-235, set out as a note preceding section 301 of Title 44, Public Printing and Documents.

#### TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted for “Administrator” in subsections (a), (b)(1), (2), (d), and (e) pursuant to section 301(a) of Pub. L. 95-91, see Codification note set out under section 2502 of this title.

### § 2507. Contracts

#### (a) Research, development, and demonstration

The Secretary of Energy shall provide funds, by contract, to initiate, continue, supplement, and maintain research, development, and demonstration activities which are necessary to carry out the purposes of the project. The Secretary of Energy may enter into such contracts with any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual.

#### (b) Consultation

In addition to the requirements of sections 2503 and 2504 of this title, the Secretary of Energy, in the exercise of his duties and responsibilities under this section, shall consult with the Department of Transportation, the Environmental Protection Agency, the National Aeronautics and Space Administration, the Department of Agriculture, and representatives of other appropriate Federal agencies, and shall establish procedures for periodic consultation with representatives of science, industry, and such other groups as may have special expertise in electric and hybrid vehicle research, development, and demonstration.

#### (c) Rules of Secretary of Energy; funding applications; required advertising

Each contract under this section shall be entered into in accordance with such rules as the Secretary of Energy may prescribe in accordance with the provisions of this section. Each application for funding shall be made in writing in such form and with such content and other submissions as the Secretary of Energy shall require. The Secretary of Energy may enter into contracts under this section without regard to section 6101 of title 41.

**(d) Purchase or lease of demonstration vehicles pursuant to agreements and utilization of Federal forms of assistance and participation authorized under other statutory provisions**

In addition to contracting for the purchase or lease of vehicles when conducting the demonstrations established under section 2506 of this title, the Secretary of Energy may acquire or secure use of such vehicles, or have such vehicles acquired or used by others, by making agreements and utilizing various forms of Federal assistance and participation which is authorized under the Energy Reorganization Act of 1974 (Public Law 93-438) [42 U.S.C. 5801 et seq.] and the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577) [42 U.S.C. 5901 et seq.].

**(e) Cost-sharing and use of American materials for demonstrations**

When contracting and otherwise using Federal funds to conduct demonstrations under this chapter, the Secretary of Energy shall seek cost-sharing with others to the maximum extent practical. During the first 2 years of demonstration activities the Secretary of Energy may enter into procurement or lease contracts for purposes of carrying out demonstrations under this chapter without regard to the provisions of chapter 83 of title 41.

(Pub. L. 94-413, § 8, Sept. 17, 1976, 90 Stat. 1266; Pub. L. 95-91, title III, § 301(a), Aug. 4, 1977, 91 Stat. 577; Pub. L. 95-238, title VI, § 602, Feb. 25, 1978, 92 Stat. 92.)

REFERENCES IN TEXT

The Energy Reorganization Act of 1974 (Public Law 93-438), referred to in subsec. (d), is Pub. L. 93-438, Oct. 11, 1974, 88 Stat. 1233, as amended, which is classified principally to chapter 73 (§ 5801 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of Title 42 and Tables.

The Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93-577), referred to in subsec. (d), is Pub. L. 93-577, Dec. 31, 1974, 88 Stat. 1878, as amended, which is classified generally to chapter 74 (§ 5901 et seq.) of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 5901 of Title 42 and Tables.

CODIFICATION

In subsec. (b), the words “the Federal Energy Administration,” which followed “Environmental Protection Agency,” have been omitted from the Code in view of the termination of the Federal Energy Administration and the transfer of the functions of the Administration to the Secretary of Energy pursuant to sections 301(a) and 703 of Pub. L. 95-91 which are classified to sections 7151(a) and 7293 of Title 42, The Public Health and Welfare. This transfer would result in this phrase being redundant in that it would provide for the Secretary of Energy to consult with the Secretary of Energy.

In subsec. (c), “section 6101 of title 41” substituted for “section 3709 of the Revised Statutes (41 U.S.C. 5)” on authority of Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

In subsec. (e), “chapter 83 of title 41” substituted for “title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a-10c)” on authority of Pub. L. 111-350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

AMENDMENTS

1978—Subsecs. (d), (e). Pub. L. 95-238 added subsecs. (d) and (e).

TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted for “Administrator” in subsecs. (a) to (c) and the first time it appears in subsec. (e) pursuant to section 301(a) of Pub. L. 95-91, see Codification note set out under section 2502 of this title.

**§ 2508. Encouragement and protection of small business**

**(a) Opportunity to participate**

The Secretary of Energy shall take such steps as are feasible to assure that small business concerns have a realistic and adequate opportunity to participate in the project.

**(b) Reservation of funds**

To assist in accomplishing the objectives of subsection (a), the Secretary of Energy shall reserve, for contracts with small business concerns, a reasonable portion of the funds made available pursuant to this chapter for research, development, or demonstration of electric or hybrid vehicles.

**(c) Contract terms and conditions; planning grants**

The Secretary of Energy shall, in addition to the requirements set forth in subsections (a) and (b)—

(1) include in all contracts for research, development, or demonstration of electric or hybrid vehicles such terms, conditions, and payment schedules as may assist in meeting the needs of small business concerns, and shall take steps to avoid the inclusion in such contracts of any terms, conditions, or penalties which would tend to prevent such concerns from participating in the program under this chapter; and

(2) make planning grants available to qualified small business concerns which require assistance in developing, submitting, and entering into such contracts.

(Pub. L. 94-413, § 9, Sept. 17, 1976, 90 Stat. 1266; Pub. L. 95-91, title III, § 301(a), Aug. 4, 1977, 91 Stat. 577.)

TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted in text for “Administrator” pursuant to section 301(a) of Pub. L. 95-91, see Codification note set out under section 2502 of this title.

**§ 2509. Loan guarantees**

**(a) Congressional policy**

It is the policy of the Congress to assist in the introduction into the Nation’s transportation fleet of electric and hybrid vehicles and to assure that qualified small business concerns and other qualified borrowers are not excluded from participation in such development due to lack of adequate capital. Accordingly, it is the policy of the Congress to provide guarantees of loans made for such purposes.

**(b) Encouragement of commercial production; purpose of loans**

In order to encourage the commercial production of electric and hybrid vehicles, the Secretary of Energy is authorized to guarantee, and to enter into commitments to guarantee, prin-