

103D CONGRESS
1ST SESSION

H. R. 3536

To provide financial assistance for technology adaptation to promote exports.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 1993

Mr. KLEIN introduced the following bill; which was referred jointly to the Committees on Banking, Finance and Urban Affairs and Science, Space, and Technology

A BILL

To provide financial assistance for technology adaptation to promote exports.

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. SHORT TITLE.**

4 This Act may be cited as the “Environmentally Ad-
5 vanced Technologies Research and Development Act”.

6 **SECTION 2. FINANCIAL ASSISTANCE FOR TECHNOLOGY**

7 **ADAPTATION TO PROMOTE EXPORTS.**

8 (a) ESTABLISHMENT.—There is established a revol-
9 ving fund to be known as the Environmental Technology
10 Export Revolving Fund for the purpose of providing finan-

1 cial assistance for the adaptation and demonstration of
2 United States environmental technologies to enhance ex-
3 ports to major international markets.

4 (b) FORMS OF FINANCIAL ASSISTANCE.—To carry
5 out this section, the Secretary of Commerce may, to the
6 extent provided in appropriations Acts, use the Fund for
7 the purpose of making loans, loan guarantees, or other
8 forms of financial assistance to United States companies,
9 independent research centers, institutions of higher edu-
10 cation, and other organizations the Secretary considers
11 appropriate.

12 (c) PRIORITIES.—In providing financial assistance
13 under this section, the Secretary of Commerce shall give
14 priority to environmental technologies—

15 (1) that require modifications through further
16 research and development to enable commercializa-
17 tion in international markets;

18 (2) that have substantial potential for use in ex-
19 port markets; and

20 (3) for which substantial manufacture will re-
21 main in the United States.

22 (d) OPERATING PLAN.—Not later than January 1,
23 1995, the Secretary of Commerce shall submit to the Con-
24 gress an operating plan to carry out this section. The plan
25 shall contain a description of coordination efforts with

1 other sources of export finance assistance, including the
2 Agency for International Development and the Overseas
3 Private Investment Corporation, and an evaluation of al-
4 ternative approaches to carrying out this section (includ-
5 ing priorities referred to in subsection (c)). The Secretary
6 shall develop recommendations, as appropriate, to carry
7 out this section in the most effective and efficient manner
8 achievable. The recommendations shall include a descrip-
9 tion of the system of evaluation used under this sub-
10 section.

11 (e) TERMS AND CONDITIONS FOR FINANCIAL ASSIST-
12 ANCE.—

13 (1) LIMITATION ON PROJECT AMOUNT.—Loans,
14 loan guarantees, and other forms of financial assist-
15 ance made under this section shall be in such form
16 and under such terms and conditions as the Sec-
17 retary of Commerce may prescribe by regulation.
18 The amount of assistance provided under this sec-
19 tion for a project may not exceed 50 percent of the
20 total eligible project costs. The term “total eligible
21 project costs” shall be defined by the Secretary of
22 Commerce by regulation.

23 (2) LIMITATION ON TOTAL COST.—Financial
24 assistance under this section shall be made under
25 such terms and conditions as are necessary to en-

1 sure that the cost of carrying out this section shall
2 not exceed 15 percent of the corresponding credit
3 authority to carry out this section. For purposes of
4 this paragraph—

5 (A) the term “cost” has the meaning given
6 such term in section 502(5) of the Federal
7 Credit Reform Act of 1990 (2 U.S.C. 661a);
8 and

9 (B) the term “credit authority” has the
10 meaning given such term in section 3(10) of the
11 Congressional Budget Act of 1974 (2 U.S.C.
12 622(10)).

13 (f) REPAYMENT.—Repayment on loans made under
14 this section and the proceeds from any other agreement
15 entered into by the Secretary of Commerce under this sec-
16 tion shall be credited to the Fund. A loan or loan guaran-
17 tee agreement under this section may, at the discretion
18 of the Secretary of Commerce, include a requirement—

19 (1) that a portion of any royalties received in
20 connection with a technology developed with finan-
21 cial assistance under this section be paid to the
22 United States; and

23 (2) in any case in which the technology is used
24 by the recipient of such financial assistance for the
25 production and sale of goods, that a payment equal

1 to the amount paid under paragraph (1) in connec-
2 tion with the technology be paid to the United
3 States.

4 (g) INTEREST.—Interest on a loan, or portion of a
5 loan, awarded or guaranteed by the Federal Government
6 under this section shall be at a rate determined by the
7 Secretary of the Treasury, at the time such loan is made,
8 to equal the then current average market yield on out-
9 standing debt obligations of the United States with re-
10 maining periods to maturity comparable to the maturity
11 of such loan, plus an additional charge of up to 1 percent
12 applied by the Secretary of Commerce to cover expected
13 defaults and reasonable administrative costs of carrying
14 out this section. For purposes of this section, the term
15 “default” shall be defined by the Secretary of Commerce
16 by regulation.

17 (h) MANAGEMENT OF THE FUND.—The Secretary of
18 Commerce shall manage the Fund and shall annually sub-
19 mit to the Congress a report on the financial condition
20 and the results of operation of the Fund during the
21 preceding fiscal year.

22 (i) TECHNICAL ASSISTANCE.—The Secretary of Com-
23 merce shall, upon request, provide technical assistance and
24 services, as appropriate and needed, to awardees under
25 this section and shall ensure that awardees have ready ac-

1 cess to such assistance. The Secretary may charge fees
2 for technical assistance and services. The Secretary may
3 waive such fees on a case-by-case basis. Fees paid to the
4 United States under this section shall be deposited in the
5 revolving fund.

6 (j) COORDINATION WITH OTHER FEDERAL ACTIVI-
7 TIES.—The Secretary of Commerce shall, to the maximum
8 extent practicable, coordinate the activities under this sec-
9 tion with similar Federal activities to avoid unnecessary
10 duplication of effort.

11 (k) OUTREACH TO ECONOMICALLY DEPRESSED
12 AREAS.—The Secretary of Commerce shall seek to ensure
13 that qualified business concerns located in areas deter-
14 mined by the Secretary to have a depressed economy, or
15 a significant concentration of defense-related industries,
16 or chronically high unemployment, are notified of the
17 availability of financial assistance under this section and,
18 to the extent practicable, to encourage and facilitate the
19 participation of such qualified business concerns in activi-
20 ties for which financial assistance is provided under this
21 section.

○