



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

January 16, 2014

**H.R. 3683**

**A bill to amend the Energy Independence and Security Act of 2007 to improve United States-Israel energy cooperation, and for other purposes**

*As ordered reported by the House Committee on Energy and Commerce  
on December 11, 2013*

**SUMMARY**

H.R. 3683 would reauthorize a grant program, administered by the Department of Energy (DOE), which supports joint ventures between U.S. and Israeli entities aimed at promoting certain energy-related technologies. CBO estimates that implementing H.R. 3683 would cost \$10 million over the 2015-2019 period, assuming appropriation of the necessary amounts. Because enacting the legislation could affect net direct spending, pay-as-you-go procedures apply, however, CBO estimates that any such effects would be negligible. H.R. 3683 would not affect revenues.

H.R. 3683 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 3683 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

	By Fiscal Year, in Millions of Dollars						2014- 2019
	2014	2015	2016	2017	2018	2019	
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>							
Estimated Authorization Level	0	2	2	2	2	2	10
Estimated Outlays	0	2	2	2	2	2	10

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 3683 will be enacted in fiscal year 2014. CBO estimates that implementing H.R. 3683 would cost \$10 million over the 2015-2019 period. We also estimate that enacting the bill would increase both offsetting receipts and direct spending, but that any net changes in direct spending would be negligible.

### **Spending Subject to Appropriation**

H.R. 3683 would extend and modify a provision of the Energy Independence and Security Act of 2007 that authorizes DOE to make grants to support joint ventures between U.S. and Israeli government units, businesses, academic institutions, or nonprofit entities to promote certain energy-related technologies. Current law authorizes DOE to provide such grants, through 2014, for projects related to energy-efficient and renewable technologies. H.R. 3683 would extend DOE's authority to make such grants through 2024 and also expand the types of eligible projects to include those that utilize natural gas technologies and projects aimed at improving the energy efficiency of certain water treatment technologies. The bill also would authorize DOE to establish a joint United States-Israel Center to support additional energy-related collaboration between the two countries.

According to DOE, appropriations for financial assistance to support energy-related collaboration between the U.S. and Israel have averaged about \$1.5 million annually over the past five years. CBO estimates that, under H.R. 3683, DOE would spend slightly more—about \$2 million annually—to continue assistance for projects using energy-efficient and renewable technologies, provide additional assistance for projects utilizing technologies that would become newly eligible for grants under the bill, and established the proposed center to support further collaboration between the United States and Israel.

### **Direct Spending**

By extending DOE's authority to provide grants to support U.S.-Israeli energy collaboration, the legislation would also extend the agency's authority to accept donations and spend those amounts, without further appropriation, for activities authorized by the bill. Based on information from DOE, CBO estimates that any such donations would be well below \$500,000 in any year, and that any resulting net changes in direct spending would be negligible.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 3683 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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