



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 22, 2006

H.R. 2730
United States-Israel Energy Cooperation Act

*As ordered reported by the House Committee on Energy and Commerce
on June 20, 2006*

SUMMARY

H.R. 2730 would authorize appropriations for grants to support cooperative efforts by nonfederal U.S. and Israeli entities to research, develop, and commercialize alternative and renewable energy sources. Assuming appropriation of the specified amounts, CBO estimates that implementing H.R. 2730 would cost \$5 million in 2007 and \$75 million over the 2007-2011 period. Enacting the bill would not affect direct spending or revenues.

H.R. 2730 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not directly affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2730 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	20	20	20	20	20
Estimated Outlays	5	10	20	20	20

BASIS OF ESTIMATE

H.R. 2730 would authorize the appropriation of \$20 million a year over the 2006-2012 period for the Department of Energy (DOE) to provide grants to support cooperative efforts by nonfederal U.S. and Israeli entities to research, develop, and commercialize alternative and renewable energy sources. The bill would authorize DOE to establish an advisory board to carry out the proposed program in consultation with existing organizations that support similar cooperative work between U.S. and Israeli businesses, academic institutions, and researchers.

For this estimate, CBO assumes that H.R. 2730 will be enacted near the start of fiscal year 2007 and that the authorized amounts will be appropriated for each year. Based on information from DOE regarding historical spending of similar programs, CBO estimates that implementing H.R. 2730 would cost \$5 million in 2007 and \$75 million over the 2007-2011 period, with additional spending occurring in later years.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2730 contains no intergovernmental or private-sector mandates as defined in UMRA and would not directly affect the budgets of state, local, or tribal governments.

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