

117TH CONGRESS
1ST SESSION

S. 3066

To require the Secretary of Energy to establish a battery material processing grant program and a battery manufacturing and recycling grant program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2021

Ms. CORTEZ MASTO (for herself and Mr. KING) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To require the Secretary of Energy to establish a battery material processing grant program and a battery manufacturing and recycling grant program, and for other purposes.

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 “Battery Material Proc-
5 essing and Component Manufacturing Act of 2021”.

6 **SEC. 2. BATTERY MATERIAL PROCESSING AND BATTERY**
7 **MANUFACTURING AND RECYCLING GRANTS.**

8 (a) **DEFINITIONS.**—In this section:

1 (1) ADVANCED BATTERY.—The term “advanced
2 battery” means a battery that consists of a battery
3 cell that can be integrated into a module, pack, or
4 system to be used in energy storage applications, in-
5 cluding electric vehicles and the electric grid.

6 (2) ADVANCED BATTERY COMPONENT.—

7 (A) IN GENERAL.—The term “advanced
8 battery component” means a component of an
9 advanced battery.

10 (B) INCLUSIONS.—The term “advanced
11 battery component” includes materials, en-
12 hancements, enclosures, anodes, cathodes, elec-
13 trolytes, cells, and other associated technologies
14 that comprise an advanced battery.

15 (3) BATTERY MATERIAL.—The term “battery
16 material” means the raw and processed form of a
17 mineral, metal, chemical, or other material used in
18 an advanced battery component.

19 (4) ELIGIBLE ENTITY.—The term “eligible enti-
20 ty” means an entity described in any of paragraphs
21 (1) through (5) of section 989(b) of the Energy Pol-
22 icy Act of 2005 (42 U.S.C. 16353(b)).

23 (5) FOREIGN ENTITY OF CONCERN.—The term
24 “foreign entity of concern” means a foreign entity
25 that is—

1 (A) designated as a foreign terrorist orga-
2 nization by the Secretary of State under section
3 219(a) of the Immigration and Nationality Act
4 (8 U.S.C. 1189(a));

5 (B) included on the list of specially des-
6 ignated nationals and blocked persons main-
7 tained by the Office of Foreign Assets Control
8 of the Department of the Treasury (commonly
9 known as the “SDN list”);

10 (C) owned by, controlled by, or subject to
11 the jurisdiction or direction of a government of
12 a foreign country that is a covered nation (as
13 defined in section 2533c(d) of title 10, United
14 States Code);

15 (D) alleged by the Attorney General to
16 have been involved in activities for which a con-
17 viction was obtained under—

18 (i) chapter 37 of title 18, United
19 States Code (commonly known as the “Es-
20 pionage Act”);

21 (ii) section 951 or 1030 of title 18,
22 United States Code;

23 (iii) chapter 90 of title 18, United
24 States Code (commonly known as the
25 “Economic Espionage Act of 1996”);

1 (iv) the Arms Export Control Act (22
2 U.S.C. 2751 et seq.);

3 (v) section 224, 225, 226, 227, or 236
4 of the Atomic Energy Act of 1954 (42
5 U.S.C. 2274, 2275, 2276, 2277, and
6 2284);

7 (vi) the Export Control Reform Act of
8 2018 (50 U.S.C. 4801 et seq.); or

9 (vii) the International Emergency
10 Economic Powers Act (50 U.S.C. 1701 et
11 seq.); or

12 (E) determined by the Secretary, in con-
13 sultation with the Secretary of Defense and the
14 Director of National Intelligence, to be engaged
15 in unauthorized conduct that is detrimental to
16 the national security or foreign policy of the
17 United States.

18 (6) INDIAN TRIBE.—The term “Indian Tribe”
19 has the meaning given the term in section 4 of the
20 Indian Self-Determination and Education Assistance
21 Act (25 U.S.C. 5304).

22 (7) MANUFACTURING.—The term “manufac-
23 turing”, with respect to an advanced battery and an
24 advanced battery component, means the industrial

1 and chemical steps taken to produce that advanced
2 battery or advanced battery component, respectively.

3 (8) PROCESSING.—The term “processing”, with
4 respect to battery material, means the refining of
5 materials, including the treating, baking, and coat-
6 ing processes used to convert raw products into con-
7 stituent materials employed directly in advanced bat-
8 tery manufacturing.

9 (9) RECYCLING.—The term “recycling” means
10 the recovery of materials from advanced batteries to
11 be reused in similar applications, including the ex-
12 tracting, processing, and recoating of battery mate-
13 rials and advanced battery components.

14 (10) SECRETARY.—The term “Secretary”
15 means the Secretary of Energy.

16 (b) BATTERY MATERIAL PROCESSING GRANTS.—

17 (1) IN GENERAL.—Not later than 180 days
18 after the date of enactment of this Act, the Sec-
19 retary shall establish within the Office of Fossil En-
20 ergy a program, to be known as the “Battery Mate-
21 rial Processing Grant Program” (referred to in this
22 subsection as the “program”), under which the Sec-
23 retary shall award grants in accordance with this
24 subsection.

1 (2) PURPOSES.—The purposes of the program
2 are—

3 (A) to ensure that the United States has
4 a viable battery materials processing industry to
5 supply the North American battery supply
6 chain;

7 (B) to expand the capabilities of the
8 United States in advanced battery manufac-
9 turing;

10 (C) to enhance national security by reduc-
11 ing the reliance of the United States on foreign
12 competitors for critical materials and tech-
13 nologies; and

14 (D) to enhance the domestic processing ca-
15 pacity of minerals necessary for battery mate-
16 rials and advanced batteries.

17 (3) GRANTS.—

18 (A) IN GENERAL.—Under the program,
19 the Secretary shall award grants to eligible en-
20 tities—

21 (i) to carry out 1 or more demonstra-
22 tion projects in the United States for the
23 processing of battery materials;

1 (ii) to construct 1 or more new com-
2 mercial-scale battery material processing
3 facilities in the United States; and

4 (iii) to retool, retrofit, or expand 1 or
5 more existing battery material processing
6 facilities located in the United States and
7 determined qualified by the Secretary.

8 (B) AMOUNT LIMITATION.—The amount of
9 a grant awarded under the program shall be
10 not less than—

11 (i) \$50,000,000 for an eligible entity
12 carrying out 1 or more projects described
13 in subparagraph (A)(i);

14 (ii) \$100,000,000 for an eligible entity
15 carrying out 1 or more projects described
16 in subparagraph (A)(ii); and

17 (iii) \$50,000,000 for an eligible entity
18 carrying out 1 or more projects described
19 in subparagraph (A)(iii).

20 (C) PRIORITY; CONSIDERATION.—In
21 awarding grants to eligible entities under the
22 program, the Secretary shall—

23 (i) give priority to an eligible entity
24 that—

1 (I) is located and operates in the
2 United States;

3 (II) is owned by a United States
4 entity;

5 (III) deploys North American-
6 owned intellectual property and con-
7 tent;

8 (IV) represents consortia or in-
9 dustry partnerships; and

10 (V) will not use battery material
11 supplied by or originating from a for-
12 eign entity of concern; and

13 (ii) take into consideration whether a
14 project—

15 (I) provides workforce opportuni-
16 ties in low- and moderate-income com-
17 munities;

18 (II) encourages partnership with
19 universities and laboratories to spur
20 innovation and drive down costs;

21 (III) partners with Indian Tribes;
22 and

23 (IV) takes into account—

24 (aa) greenhouse gas emis-
25 sions reductions and energy effi-

1 cient battery material processing
2 opportunities throughout the
3 manufacturing process; and

4 (bb) supply chain logistics.

5 (4) AUTHORIZATION OF APPROPRIATIONS.—

6 There is authorized to be appropriated to the Sec-
7 retary to carry out the program \$3,000,000,000 for
8 the period of fiscal years 2022 through 2026, to re-
9 main available until expended.

10 (c) BATTERY MANUFACTURING AND RECYCLING
11 GRANTS.—

12 (1) IN GENERAL.—Not later than 180 days
13 after the date of enactment of this Act, the Sec-
14 retary shall establish within the Office of Energy Ef-
15 ficiency and Renewable Energy a battery manufac-
16 turing and recycling grant program (referred to in
17 this subsection as the “program”).

18 (2) PURPOSE.—The purpose of the program is
19 to ensure that the United States has a viable domes-
20 tic manufacturing and recycling capability to sup-
21 port and sustain a North American battery supply
22 chain.

23 (3) GRANTS.—

1 (A) IN GENERAL.—Under the program,
2 the Secretary shall award grants to eligible en-
3 tities—

4 (i) to carry out 1 or more demonstra-
5 tion projects for advanced battery compo-
6 nent manufacturing, advanced battery
7 manufacturing, and recycling;

8 (ii) to construct 1 or more new com-
9 mercial-scale advanced battery component
10 manufacturing, advanced battery manufac-
11 turing, or recycling facilities in the United
12 States; and

13 (iii) to retool, retrofit, or expand 1 or
14 more existing facilities located in the
15 United States and determined qualified by
16 the Secretary for advanced battery compo-
17 nent manufacturing, advanced battery
18 manufacturing, and recycling.

19 (B) AMOUNT LIMITATION.—The amount of
20 a grant awarded under the program shall be
21 not less than—

22 (i) \$50,000,000 for an eligible entity
23 carrying out 1 or more projects described
24 in subparagraph (A)(i);

1 (ii) \$100,000,000 for an eligible entity
2 carrying out 1 or more projects described
3 in subparagraph (A)(ii); and

4 (iii) \$50,000,000 for an eligible entity
5 carrying out 1 or more projects described
6 in subparagraph (A)(iii).

7 (C) PRIORITY; CONSIDERATION.—In
8 awarding grants to eligible entities under the
9 program, the Secretary shall—

10 (i) give priority to an eligible entity
11 that—

12 (I) is located and operates in the
13 United States;

14 (II) is owned by a United States
15 entity;

16 (III) deploys North American-
17 owned intellectual property and con-
18 tent;

19 (IV) represents consortia or in-
20 dustry partnerships; and

21 (V)(aa) if the eligible entity will
22 use the grant for advanced battery
23 component manufacturing, will not
24 use battery material supplied by or

1 originating from a foreign entity of
2 concern; or

3 (bb) if the eligible entity will use
4 the grant for battery recycling, will
5 not export recovered critical materials
6 to a foreign entity of concern; and

7 (ii) take into consideration whether a
8 project—

9 (I) provides workforce opportuni-
10 ties in low- and moderate-income or
11 rural communities;

12 (II) provides workforce opportu-
13 nities in communities that have lost
14 jobs due to the displacements of fossil
15 energy jobs;

16 (III) encourages partnership with
17 universities and laboratories to spur
18 innovation and drive down costs;

19 (IV) partners with Indian Tribes;

20 (V) takes into account—

21 (aa) greenhouse gas emis-
22 sions reductions and energy effi-
23 cient battery material processing
24 opportunities throughout the
25 manufacturing process; and

1 (bb) supply chain logistics;
2 and
3 (VI) utilizes feedstock produced
4 in the United States.

5 (4) AUTHORIZATION OF APPROPRIATIONS.—
6 There is authorized to be appropriated to the Sec-
7 retary to carry out the program \$3,000,000,000 for
8 the period of fiscal years 2022 through 2026, to re-
9 main available until expended.

10 (d) REPORTING REQUIREMENTS.—Not later than 1
11 year after the date of enactment of this Act, and annually
12 thereafter, the Secretary shall submit to Congress a report
13 on the grant programs established under subsections (b)
14 and (c), including, with respect to each grant program,
15 a description of—

16 (1) the number of grant applications received;

17 (2) the number of grants awarded and the
18 amount of each award;

19 (3) the purpose and status of each project car-
20 ried out using a grant; and

21 (4) any other information the Secretary deter-
22 mines necessary.

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