

112TH CONGRESS
1ST SESSION

S. 298

To drive American innovation and advanced vehicle manufacturing, to reduce costs for consumers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 7, 2011

Ms. STABENOW introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To drive American innovation and advanced vehicle manufacturing, to reduce costs for consumers, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Charging America Forward Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Extension and modification of new qualified hybrid motor vehicle credit.
- Sec. 3. Extension of alternative fuel vehicle refueling property credit.
- Sec. 4. Increase in limitation on number of new qualified plug-in electric drive motor vehicles.

- Sec. 5. Refundability and transferability of credit for new qualified plug-in electric drive motor vehicles.
- Sec. 6. Recovery period for depreciation of smart meters and smart grid systems.
- Sec. 7. Business energy investment credits for certain used energy storage property.
- Sec. 8. Nonbusiness energy property credit for certain residential energy storage property.
- Sec. 9. Advanced battery manufacturing assistance.

1 **SEC. 2. EXTENSION AND MODIFICATION OF NEW QUALI-**
 2 **FIED HYBRID MOTOR VEHICLE CREDIT.**

3 (a) EXTENSION.—

4 (1) IN GENERAL.—Paragraph (3) of section
 5 30B(k) of the Internal Revenue Code of 1986 is
 6 amended to read as follows:

7 “(3) in the case of a new qualified hybrid motor
 8 vehicle (as described in subsection (d)(2)(B))—

9 “(A) after December 31, 2009, and before
 10 January 1, 2011, and

11 “(B) after December 31, 2014.”.

12 (2) CONFORMING AMENDMENTS.—Section
 13 30B(k) of such Code is amended—

14 (A) by striking “purchased after” and in-
 15 serting “purchased”,

16 (B) by inserting “after” after “subsection
 17 (b)),” in paragraph (1),

18 (C) by inserting “after” after “subsection
 19 (d)(2)(A)),” in paragraph (2), and

20 (D) by inserting “after” after “subsection
 21 (e)),” in paragraph (4).

1 (b) QUALIFIED INCREMENTAL HYBRID COST.—
 2 Clause (iii) of section 30B(d)(2)(B) of the Internal Rev-
 3 enue Code of 1986 is amended by striking “does not ex-
 4 ceed—” and all that follows and inserting the following:
 5 “does not exceed—

6 “(I) \$15,000, if such vehicle has
 7 a gross vehicle weight rating of not
 8 more than 14,000 pounds;

9 “(II) \$30,000, if such vehicle has
 10 a gross vehicle weight rating of more
 11 than 14,000 pounds but not more
 12 than 26,000 pounds;

13 “(III) \$60,000, if such vehicle
 14 has a gross vehicle weight rating of
 15 more than 26,000 pounds but not
 16 more than 33,000 pounds; and

17 “(IV) \$100,000, if such vehicle
 18 has a gross vehicle weight rating more
 19 than 33,000 pounds.”.

20 (c) CREDIT ALLOWABLE FOR CERTAIN VEHICLES
 21 WITH A 10-PERCENT FUEL ECONOMY INCREASE OR ADE-
 22 QUATE FUEL SAVINGS.—Clause (ii) of section
 23 30B(d)(2)(B) of the Internal Revenue Code of 1986 is
 24 amended by redesignating subclauses (I), (II), and (III)
 25 as subclauses (II), (III), and (IV), respectively, and by in-

1 setting before subclause (II) (as so redesignated) the fol-
 2 lowing new subclause:

3 “(I) 10 percent in the case of a
 4 vehicle to which clause (iii)(IV) ap-
 5 plies if—

6 “(aa) such vehicle achieves
 7 an increase in city fuel economy
 8 relative to a comparable vehicle
 9 of at least 20 percent but less
 10 than 30 percent, or

11 “(bb) item (aa) and sub-
 12 clauses (II), (III), and (IV) do
 13 not apply to such vehicle and the
 14 fuel consumption of such vehicle
 15 is at least 700 gallons less than
 16 the fuel consumption of a com-
 17 parable vehicle when driven
 18 100,000 miles (as determined by
 19 the Secretary in consultation
 20 with the Administrator of the
 21 Environmental Protection Agen-
 22 cy).”.

23 (d) DOLLAR LIMITATION.—Subparagraph (B) of sec-
 24 tion 30B(d)(2) of the Internal Revenue Code of 1986 is
 25 amended by adding at the end the following new clause:

1 “(vi) LIMITATION.—The amount al-
2 lowed as a credit under subsection (a)(3)
3 with respect to a vehicle by reason of
4 clause (i) of this subparagraph shall not
5 exceed \$24,000.”.

6 (e) HEAVY ELECTRIC VEHICLES.—Paragraph (3) of
7 section 30B(d) of the Internal Revenue Code of 1986 is
8 amended by redesignating subparagraphs (B), (C), and
9 (D) as subparagraphs (C), (D), and (E), respectively, and
10 by inserting after subparagraph (A) the following new sub-
11 paragraphs:

12 “(B) HEAVY ELECTRIC VEHICLES.—In the
13 case of a vehicle with a gross vehicle weight rat-
14 ing of not less than 8,500 pounds, the term
15 ‘new qualified hybrid motor vehicle’ includes a
16 motor vehicle—

17 “(i) which draws propulsion energy
18 primarily from a rechargeable energy stor-
19 age system; and

20 “(ii) which meets the requirements of
21 clauses (iii), (v), (vi), and (vii) of subpara-
22 graph (A).”.

23 (f) CREDITS MAY BE TRANSFERRED.—Subsection
24 (d) of section 30B of the Internal Revenue Code of 1986

1 is amended by adding at the end the following new para-
2 graph:

3 “(4) TRANSFERABILITY OF CREDIT.—

4 “(A) IN GENERAL.—A taxpayer who places
5 in service any vehicle may transfer the credit al-
6 lowed under this subsection with respect to
7 such vehicle through an assignment to the seller
8 of such vehicle. Such transfer may be revoked
9 only with the consent of the Secretary.

10 “(B) REGULATIONS.—The Secretary shall
11 prescribe such regulations as necessary to en-
12 sure that any credit transferred under subpara-
13 graph (A) is claimed once and not reassigned
14 by such other person.”.

15 (g) EFFECTIVE DATE.—The amendments made by
16 this section shall apply to vehicles acquired after Decem-
17 ber 31, 2010.

18 **SEC. 3. EXTENSION OF ALTERNATIVE FUEL VEHICLE RE-**
19 **FUELING PROPERTY CREDIT.**

20 (a) IN GENERAL.—Subsection (g) of section 30C of
21 the Internal Revenue Code of 1986 is amended by striking
22 “placed in service—” and all that follows and inserting
23 “placed in service after December 31, 2014”.

24 (b) INCREASED CREDIT.—

1 (1) CREDIT PERCENTAGE.—Subsection (a) of
2 section 30C of the Internal Revenue Code of 1986
3 is amended by striking “30 percent” and inserting
4 “50 percent”.

5 (2) DOLLAR LIMITATIONS.—Subsection (b) of
6 section 30C of such Code is amended—

7 (A) by striking “\$30,000” in paragraph
8 (1) and inserting “\$50,000”,

9 (B) by striking “depreciation, and” in
10 paragraph (1) and inserting “depreciation
11 which is not described in paragraph (2),”,

12 (C) by redesignating paragraph (2) as
13 paragraph (3),

14 (D) by inserting after paragraph (1) the
15 following new paragraph:

16 “(2) the greater of—

17 “(A) \$50,000, or

18 “(B) \$10,000 for each single charging de-
19 vice designed to recharge a motor vehicle pro-
20 pelled by electricity,

21 in the case of any property relating to electricity,
22 and”, and

23 (E) by striking “\$1,000” in paragraph (3),
24 as redesignated by subparagraph (C), and in-
25 serting “\$2,000”.

1 (3) CONFORMING AMENDMENT.—Subparagraph
2 (A) of section 30C(e)(6) of such Code is amended by
3 inserting “and which is placed in service before the
4 date of the enactment of paragraph (7)” after “hy-
5 drogen”.

6 (c) TREATMENT OF PERSONAL CREDIT.—

7 (1) IN GENERAL.—Paragraph (2) of section
8 30C(d) of the Internal Revenue Code of 1986 is
9 amended to read as follows:

10 “(2) PERSONAL CREDIT.—

11 “(A) IN GENERAL.—For purposes of this
12 title, the credit allowed under subsection (a) for
13 any taxable year (determined after application
14 of paragraph (1)) shall be treated as a credit
15 allowable under subpart A for such taxable
16 year.

17 “(B) LIMITATION BASED ON AMOUNT OF
18 TAX.—In the case of a taxable year to which
19 section 26(a)(2) does not apply, the credit al-
20 lowed under subsection (a) for any taxable year
21 (determined after application of paragraph (1))
22 shall not exceed the excess of—

23 “(i) the sum of the regular tax liabil-
24 ity (as defined in section 26(b)) plus the
25 tax imposed by section 55, over

1 “(ii) the sum of the credits allowable
2 under subpart A (other than this section
3 and sections 25D and 30D) and section 27
4 for the taxable year.”.

5 (2) CONFORMING AMENDMENT.—Clause (ii) of
6 section 30D(e)(2)(B) is amended by striking “sec-
7 tion 25D” and inserting “sections 25D and 30C”.

8 (d) TREATMENT OF PROPERTY USED BY TAX-EX-
9 EMPT ENTITY.—Paragraph (2) of section 30C(e) of the
10 Internal Revenue Code of 1986 is amended by striking the
11 last sentence.

12 (e) JOINT OWNERSHIP OF ELECTRIC VEHICLE RE-
13 CHARGING PROPERTY.—Subsection (e) of section 30C of
14 the Internal Revenue Code of 1986 is amended by adding
15 at the end the following new paragraph:

16 “(7) JOINT OWNERSHIP OF ELECTRIC VEHICLE
17 RECHARGING PROPERTY.—

18 “(A) IN GENERAL.—Any property relating
19 to electricity shall not fail to be treated as
20 qualified alternative fuel vehicle refueling prop-
21 erty solely because such property is placed in
22 service with respect to 2 or more dwelling units.

23 “(B) LIMITS APPLIED SEPARATELY.—In
24 the case of any qualified alternative fuel vehicle
25 refueling property relating to electricity which

1 is placed in service with respect to 2 or more
2 dwelling units, this section (other than this sub-
3 paragraph) shall be applied separately with re-
4 spect to the portion of such property attrib-
5 utable to each such dwelling unit.”.

6 (f) DEFINITION OF ALTERNATIVE FUEL VEHICLE
7 REFUELING PROPERTY IN THE CASE OF ELECTRICITY.—

8 (1) IN GENERAL.—Subparagraph (B) of section
9 179A(d)(3) of the Internal Revenue Code of 1986 is
10 amended to read as follows:

11 “(B) for the recharging of motor vehicles
12 propelled by electricity, including electrical
13 panel upgrades, wiring, conduit, trenching, ped-
14 estals, and related equipment.”.

15 (2) BUILDING COMPONENTS.—Subsection (d) of
16 section 179A of such Code is amended by inserting
17 “, except for property described in paragraph
18 (3)(B),” after “not including a building and”.

19 (g) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to property placed in service after
21 December 31, 2010.

1 **SEC. 4. INCREASE IN LIMITATION ON NUMBER OF NEW**
2 **QUALIFIED PLUG-IN ELECTRIC DRIVE MOTOR**
3 **VEHICLES.**

4 (a) **IN GENERAL.**—Paragraph (2) of section 30D(e)
5 of the Internal Revenue Code of 1986 is amended by strik-
6 ing “200,000” and inserting “500,000”.

7 (b) **EFFECTIVE DATE.**—The amendment made by
8 subsection (a) shall apply to vehicles sold after the date
9 of the enactment of this Act.

10 **SEC. 5. REFUNDABILITY AND TRANSFERABILITY OF CRED-**
11 **IT FOR NEW QUALIFIED PLUG-IN ELECTRIC**
12 **DRIVE MOTOR VEHICLES.**

13 (a) **CREDIT MADE REFUNDABLE.**—

14 (1) **IN GENERAL.**—The Internal Revenue Code
15 of 1986 is amended—

16 (A) by redesignating section 30D, as
17 amended by this Act, as section 36D, and

18 (B) by moving section 36D (as so redesign-
19 dated) from subpart D of part IV of subchapter
20 A of chapter 1 to the location immediately be-
21 fore section 37 in subpart C of part IV of sub-
22 chapter A of chapter 1.

23 (2) **CONFORMING AMENDMENTS.**—

24 (A) Section 24(b)(3)(B) of the Internal
25 Revenue Code of 1986 is amended by striking
26 “30B, and 30D” and inserting “and 30B”.

1 (B) Section 25(e)(1)(C) of such Code is
2 amended by striking “30D,”.

3 (C) Section 25A(i)(5)(B) of such Code is
4 amended by striking “sections 25D and 30D”
5 and inserting “section 25D”.

6 (D) Section 25B(g)(2) of such Code is
7 amended by striking “30B, and 30D” and in-
8 serting “and 30B”.

9 (E) Section 26(a)(1) of such Code is
10 amended by striking “30B, and 30D” and in-
11 serting “and 30B”.

12 (F) Section 30(c)(2)(B)(ii) of such Code is
13 amended by striking “sections 25D and 30D”
14 and inserting “section 25D”.

15 (G) Section 30B(d)(3)(D) of such Code is
16 amended by striking “30D (determined without
17 regard to subsection (c) thereof)” and inserting
18 “36D”.

19 (H) Section 30B(g)(2)(B)(ii) of such Code
20 is amended by striking “, 30, and 30D” and in-
21 serting “and 30”.

22 (I) Section 30B(i)(2) of such Code is
23 amended by striking “30D” and inserting
24 “36D”.

1 (J) Section 30C(d)(2)(B) of such Code, as
2 amended by this Act, is amended by striking
3 “sections 25D and 30D” and inserting “section
4 25D”.

5 (K) Section 38(b) of such Code is amended
6 by adding “plus” at the end of paragraph (34),
7 by striking paragraph (35), and by redesignig-
8 nating paragraph (36) as paragraph (35).

9 (L) Section 48C(c)(1)(A)(i)(VI) of such
10 Code is amended by striking “30D” and insert-
11 ing “36D”.

12 (M) Section 904(i) of such Code is amend-
13 ed by “30B, and 30D” and inserting “and
14 30B”.

15 (N) Section 1016(a)(37) of such Code is
16 amended by striking “30D(f)(1)” and inserting
17 “36D(f)(1)”.

18 (O) Section 1400C(d)(2) of such Code is
19 amended by striking “30B, and 30D” and in-
20 serting “and 30B”.

21 (P) Section 6501(m) of such Code is
22 amended by striking “30D(e)(4)” and inserting
23 “section 36D(e)(6)”.

24 (Q) The table of sections for subpart A of
25 part IV of subchapter A of chapter 1 of such

1 Code is amended by striking the item relating
2 to section 30D.

3 (R) Paragraph (2) of section 1324(b) of
4 title 31, United States Code is amended by in-
5 serting “36D,” after “36C,”.

6 (S) The table of sections for subpart C of
7 part IV of subchapter A of chapter 1 of such
8 Code is amended by inserting after the item re-
9 lating to section 36C the following new item:

“Sec. 36D. New qualified plug-in electric drive motor vehicles.”.

10 (b) TRANSFERABILITY OF CREDIT.—

11 (1) IN GENERAL.—Subsection (c) of section
12 36D of the Internal Revenue Code of 1986 is
13 amended to read as follows:

14 “(c) CREDIT MAY BE TRANSFERRED.—

15 “(1) IN GENERAL.—A taxpayer may, in connec-
16 tion with the purchase of a new qualified plug-in
17 electric drive motor vehicle, transfer any the credit
18 allowed under subsection (a)—

19 “(A) to any person who is in the trade or
20 business of selling new qualified plug-in electric
21 drive motor vehicles and who sold such vehicle
22 to the taxpayer, or

23 “(B) to any person who is in the trade or
24 business of financing the sales of new qualified
25 plug-in electric drive motor vehicles and who—

1 “(i) financed the taxpayer’s purchase
2 of such vehicle, or

3 “(ii) purchases an installment obliga-
4 tion incurred for the purchase of such vehi-
5 cle.

6 “(2) DISCLOSURE.—A taxpayer may transfer a
7 refundable credit described in paragraph (1) to a
8 person described in subparagraph (A) thereof only if
9 such person clearly discloses to such taxpayer,
10 through the use of a window sticker attached to the
11 new qualified plug-in electric drive motor vehicle—

12 “(A) the amount of the credit under sub-
13 section (a) with respect to such vehicle, and

14 “(B) a notification that the taxpayer will
15 not be eligible for any credit under any other
16 section of this title with respect to such vehicle
17 unless the taxpayer elects not to have this sec-
18 tion apply with respect to such vehicle.

19 “(3) CERTIFICATION.—A transferee of a credit
20 under subsection (a) may not claim such credit un-
21 less such claim is accompanied by a certification to
22 the Secretary that the transferee reduced the price
23 the taxpayer paid or the balance due to the fin-
24 ancier, whichever is applicable, for the new qualified

1 plug-in electric drive motor vehicle by the entire
2 amount of such refundable credit.

3 “(4) CONSENT REQUIRED FOR REVOCATION.—
4 Any transfer under paragraph (1) may be revoked
5 only with the consent of the Secretary.

6 “(5) REGULATIONS.—The Secretary—

7 “(A) may prescribe such regulations as
8 necessary to ensure that credit transferred
9 under paragraph (1) is claimed once and not
10 retransferred by a transferee, and

11 “(B) shall prescribe such regulations as
12 necessary to provide a mechanism by which the
13 transferee may claim and receive the credit as
14 soon as practical but not longer than 90 days
15 after the sale of the new qualified plug-in elec-
16 tric drive motor vehicle.”.

17 (c) DISPLAY OF CREDIT INFORMATION.—Section
18 32908(b)(1) of title 49, United States Code, is amended—

19 (1) by redesignating subparagraphs (E) and
20 (F) as subparagraphs (F) and (G), and

21 (2) by inserting after subparagraph (D) the fol-
22 lowing new subparagraph:

23 “(V) the amount of the new qualified plug-
24 in electric drive motor vehicle credit allowable
25 with respect to the sale of the automobile under

1 section 36D of the Internal Revenue Code of
2 1986.”.

3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to property placed in service after
5 the date of the enactment of this Act.

6 **SEC. 6. RECOVERY PERIOD FOR DEPRECIATION OF SMART**
7 **METERS AND SMART GRID SYSTEMS.**

8 (a) IN GENERAL.—Subparagraph (B) of section
9 168(e)(3) of the Internal Revenue Code of 1986 is amend-
10 ed by striking “and” at the end of clause (vi), by striking
11 the period at the end of clause (vii) and inserting “, and”,
12 and by adding at the end the following new clauses:

13 “(viii) any qualified smart electric
14 meter, and

15 “(ix) any qualified smart electric grid
16 system.”.

17 (b) CONFORMING AMENDMENTS.—Subparagraph
18 (D) of section 168(e)(3) of the Internal Revenue Code of
19 1986 is amended by inserting “and” at the end of clause
20 (i), by striking the comma at the end of clause (ii) and
21 inserting a period, and by striking clauses (iii) and (iv).

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to property placed in service after
24 the date of the enactment of this Act.

1 **SEC. 7. BUSINESS ENERGY INVESTMENT CREDITS FOR CER-**
2 **TAIN USED ENERGY STORAGE PROPERTY.**

3 (a) 50-PERCENT CREDIT ALLOWED.—Subparagraph
4 (A) of section 48(a)(2) of the Internal Revenue Code of
5 1986 is amended—

6 (1) by redesignating clause (ii) as clause (iii),

7 (2) by inserting “or (ii)” after “clause (i)” in
8 clause (iii), as so redesignated, and

9 (3) by inserting after clause (i) the following
10 new clause:

11 “(ii) 50 percent in the case of quali-
12 fied used energy storage property which is
13 not described in subsection (e)(5)(B),
14 and”.

15 (b) 30-PERCENT CREDIT FOR CERTAIN ENERGY
16 STORAGE PROPERTY USED FOR ONSITE STORAGE.—
17 Clause (i) of section 48(a)(2)(A) of the Internal Revenue
18 Code of 1986 is amended—

19 (1) by striking “and” at the end of subclause
20 (III), and

21 (2) by adding at the end the following new sub-
22 clause:

23 “(V) qualified used energy stor-
24 age property described in subsection
25 (e)(5)(B),”.

1 (c) QUALIFIED USED ENERGY STORAGE PROP-
 2 ERTY.—Subsection (c) of section 48 of the Internal Rev-
 3 enue Code of 1986 is amended by adding at the end the
 4 following new paragraph:

5 “(5) QUALIFIED USED ENERGY STORAGE PROP-
 6 ERTY.—The term ‘qualified used energy storage
 7 property’ means pre-owned advanced large format
 8 automotive propulsion battery cells previously used
 9 in a qualified plug-in electric drive motor vehicle (as
 10 defined in section 36D(d)) which are reconditioned
 11 into—

12 “(A) property—

13 “(i) which is designed to receive elec-
 14 trical energy, to store such energy, to con-
 15 vert such energy to electricity, and to de-
 16 liver such electricity for support to the
 17 transmission or distribution grid or for
 18 sale to unrelated parties,

19 “(ii) which has the ability to store in
 20 the aggregate not less than 50 kilowatt
 21 hours of energy,

22 “(iii) which has the ability to attain a
 23 peak power output of 20 kilowatts, or

24 “(B) property—

25 “(i) which—

1 “(I) is primarily designed and
2 used to receive and store intermittent
3 renewable energy generated on-site
4 and to deliver such energy for pri-
5 marily on-site consumption, or

6 “(II) provides supplemental en-
7 ergy to reduce peak energy require-
8 ments on-site,

9 “(ii) which has the ability to store the
10 energy equivalent of not less than 20 kilo-
11 watt hours of energy, and

12 “(iii) which has the ability to main-
13 tain an output of the energy equivalent of
14 not less than 20 kilowatt hours of elec-
15 tricity for a period of not less than 2
16 hours.

17 Such term may include property described in
18 subparagraph (B) which is used to charge plug-
19 in vehicles, but shall not include any property
20 for which any other credit is allowed under this
21 chapter.”.

22 (d) EFFECTIVE DATE.—The amendments made by
23 this section shall apply to periods after the date of the
24 enactment of this Act, under rules similar to the rules of
25 section 48(m) of the Internal Revenue Code of 1986 (as

1 in effect on the day before the date of the enactment of
2 the Revenue Reconciliation Act of 1990).

3 **SEC. 8. NONBUSINESS ENERGY PROPERTY CREDIT FOR**
4 **CERTAIN RESIDENTIAL ENERGY STORAGE**
5 **PROPERTY.**

6 (a) CREDIT ALLOWED.—

7 (1) IN GENERAL.—Subsection (a) of section
8 25C of the Internal Revenue Code of 1986 is
9 amended—

10 (A) by striking “and” at the end of para-
11 graph (1),

12 (B) by striking “expenditures paid or in-
13 curred” and all that follows in paragraph (2)
14 and inserting “expenditures, other than expend-
15 itures for qualified used energy storage prop-
16 erty described in subsection (d)(7), paid or in-
17 curred by the taxpayer during such taxable
18 year, and”, and

19 (C) by adding at the end the following new
20 paragraph:

21 “(3) 50 percent of the amount of the residential
22 energy property expenditures for qualified used en-
23 ergy storage property described in subsection (d)(7)
24 paid or incurred by the taxpayer during such taxable
25 year.”.

1 (2) QUALIFIED ENERGY PROPERTY.—Subpara-
 2 graph (A) of section 25C(d)(2) of such Code is
 3 amended—

4 (A) by striking “or” at the end of clause
 5 (ii),

6 (B) by striking the period at the end of
 7 clause (iii) and inserting “, or”, and

8 (C) by adding at the end the following new
 9 clause:

10 “(iv) qualified used energy storage
 11 property.”.

12 (b) PROPERTY DESCRIBED.—Subsection (d) of sec-
 13 tion 25C of the Internal Revenue Code of 1986 is amended
 14 by adding at the end the following new paragraph:

15 “(7) QUALIFIED USED ENERGY STORAGE PROP-
 16 erty.—The term ‘qualified used energy storage
 17 property’ means property which is comprised of re-
 18 conditioned pre-owned advanced large format auto-
 19 motive propulsion battery cells previously used in a
 20 qualified plug-in electric drive motor vehicle (as de-
 21 fined in section 36D(d)) and which—

22 “(A) is primarily designed and used to re-
 23 ceive and store intermittent renewable energy
 24 generated on-site and to deliver such energy for
 25 primarily on-site consumption,

1 “(B) provides supplemental energy to re-
2 duce peak energy requirements on-site, or

3 “(C) provides propulsion power for non-
4 highway mobile applications for neighborhood
5 or interior use.

6 Such term may include property described in sub-
7 paragraph (B) which is used to charge plug-in or hy-
8 brid electric vehicles, but shall not include any prop-
9 erty for which any other credit is allowed under this
10 chapter.”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to property placed in service after
13 the date of the enactment of this Act.

14 **SEC. 9. ADVANCED BATTERY MANUFACTURING ASSIST-**
15 **ANCE.**

16 (a) IN GENERAL.—The Secretary of Energy (referred
17 to in this section as the “Secretary”) shall make grants
18 for the manufacturing of advanced batteries and compo-
19 nents, and provide facility funding awards, to manufactur-
20 ers of advanced battery systems and vehicle batteries that
21 are produced in the United States, including manufactur-
22 ers of advanced lithium ion batteries and hybrid electrical
23 systems, component manufacturers, software designers,
24 and system design and vehicle integrators.

1 (b) APPOINTMENT OF HIGHLY QUALIFIED INDIVID-
2 UALS.—

3 (1) IN GENERAL.—Subject to paragraphs (2)
4 through (4), notwithstanding section 3304 of title 5,
5 United States Code, and without regard to sections
6 3309 through 3318 of that title, the Secretary, on
7 a determination that there is a severe shortage of
8 candidates or a critical hiring need for particular po-
9 sitions, may from funds made available to carry out
10 this section, recruit and directly appoint highly
11 qualified individuals into the competitive service to
12 carry out this section.

13 (2) EXCEPTIONS.—The authority provided
14 under paragraph (1) shall not apply to positions in
15 the excepted service or the Senior Executive Service.

16 (3) MERIT PRINCIPLES.—Any action authorized
17 under paragraph (1) shall be consistent with the
18 merit principles of section 2301 of title 5, United
19 States Code.

20 (4) PUBLIC NOTICE.—In carrying out this sub-
21 section, the Secretary shall comply with the public
22 notice requirements of section 3327 of title 5,
23 United States Code.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
2 authorized to be appropriated to carry out this section
3 \$2,000,000,000.

○