

119TH CONGRESS
1ST SESSION

H. R. 4350

To establish a loan program to expand capabilities to manufacture critical materials to secure the United States supply chain, to amend the Internal Revenue Code of 1986 to provide credits for qualified investments into critical material facilities and production credits for manufacturing critical materials, and to authorize cross-cutting research, development, and demonstration activities relating to critical material supply chains, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 10, 2025

Ms. STEVENS (for herself and Mr. CLYBURN) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, Natural Resources, Education and Workforce, and Science, Space, and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish a loan program to expand capabilities to manufacture critical materials to secure the United States supply chain, to amend the Internal Revenue Code of 1986 to provide credits for qualified investments into critical material facilities and production credits for manufacturing critical materials, and to authorize cross-cutting research, development, and demonstration activities relating to critical material supply chains, 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 “Unearth America’s Future Act”.

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

Sec. 1. Short title; table of contents.

TITLE I—RESILIENT EXPANSION OF STRATEGIC INDUSTRIES

Sec. 101. Sense of Congress.

Sec. 102. National center for secure and transparent critical material supply
chains.

Sec. 103. Loan program for resilient critical material supply chains.

Sec. 104. Required collaboration.

Sec. 105. Material supply chain public-private partnership.

Sec. 106. Authorization of appropriations.

Sec. 107. Termination.

Sec. 108. Definitions.

TITLE II—CRITICAL MATERIAL TAX CREDITS

Sec. 201. Critical material investment tax credit.

Sec. 202. Critical material production tax credit.

Sec. 203. Consultation.

TITLE III—CRITICAL MATERIAL RESEARCH AND DEVELOPMENT

Sec. 301. Clarifying mining research at the National Science Foundation.

Sec. 302. Clarifying mining research at the Department of Energy.

Sec. 303. Critical materials research and development.

Sec. 304. Critical material standards and metrology.

Sec. 305. Critical materials demonstration.

Sec. 306. Definitions.

8 **TITLE I—RESILIENT EXPANSION**
 9 **OF STRATEGIC INDUSTRIES**

10 **SEC. 101. SENSE OF CONGRESS.**

11 It is the sense of Congress that the Secretary of Com-
 12 merce, in consultation with the Secretary of State, should

1 carry out the actions and collaborations authorized by this
2 title in a manner that—

3 (1) strengthens the security and resiliency of
4 the critical material supply chain for the national,
5 energy, and economic security of the United States,
6 including through—

7 (A) prioritizing expanded domestic capa-
8 bilities; and

9 (B) expanding foreign capabilities to sup-
10 port such expanded domestic capabilities;

11 (2) promotes innovative technologies, materials,
12 and techniques to create secure supply chains while
13 preventing environmental degradation;

14 (3) supports industrial decarbonization through-
15 out the supply chain;

16 (4) defends worker rights through strong work-
17 place protections, including through neutrality agree-
18 ments, and removes human rights violations across
19 the supply chain;

20 (5) supports community engagement and con-
21 sultation to prevent disenfranchisement and other
22 environmental injustices from occurring; and

23 (6) grows the economic strength and bolsters
24 the leadership of the manufacturing sector of the
25 United States, including its workforce.

1 **SEC. 102. NATIONAL CENTER FOR SECURE AND TRANS-**
2 **PARENT CRITICAL MATERIAL SUPPLY**
3 **CHAINS.**

4 (a) ESTABLISHMENT.—The Secretary of Commerce,
5 in consultation with the Secretary of State, and through
6 the collaboration required under section 104, shall estab-
7 lish a national center (in this title referred to as the “Cen-
8 ter”) in the Department of Commerce to support the secu-
9 rity and resilience of the critical material supply chain by
10 advancing policy recommendations, best practices, and
11 other activities to create a critical material supply chain
12 with the following characteristics:

- 13 (1) Security and resiliency against supply chain
14 disruptions.
- 15 (2) Environmental sustainability.
- 16 (3) Workforce security and safety.
- 17 (4) Innovativeness.

18 (b) FUNCTIONS.—The functions of the Center shall
19 be as follows:

- 20 (1) To study and report on emerging trends,
21 opportunities, and challenges of the critical material
22 supply chain to provide the Federal Government a
23 robust understanding of such supply chain, includ-
24 ing—

- 25 (A) market dynamics;
- 26 (B) pricing and availability dynamics; and

1 (C) transparency and traceability.

2 (2) To study, report, and provide recommenda-
3 tions to the Federal Government on current and fu-
4 ture policies that the United States and the partners
5 and allies of the United States should evaluate to
6 promote the security and resilience of the critical
7 material supply chain.

8 (3) To promote environmental sustainability in
9 the critical material supply chain by—

10 (A) disseminating information on relevant
11 best practices; and

12 (B) providing technical assistance and
13 other resources, as determined by the head of
14 the Center as appropriate and not duplicative of
15 other technical assistance and resources pro-
16 vided by the Federal Government, to such in-
17 dustry to support the adoption of—

18 (i) environmental protection practices,
19 including the use of emerging technologies,
20 to prevent environmental degradation with-
21 in extraction processes;

22 (ii) industrial decarbonization prac-
23 tices;

24 (iii) innovative downstream applica-
25 tions of critical materials, including quali-

1 fied substitutes to decrease reliance on
2 supply chains vulnerable to foreign disrup-
3 tions; and

4 (iv) practices that improve the ability
5 of critical materials to be recycled and re-
6 used to support circular economies (as de-
7 fined in section 2 of the Save Our Seas 2.0
8 Act (33 U.S.C. 4201)).

9 (4) To strengthen the workforce for the critical
10 material supply chain industry, including through
11 education and workforce pathways and the dissemi-
12 nation of best practices, in collaboration with the
13 Secretary of Labor, that ensure wage rates are de-
14 termined by free bargaining between labor and man-
15 agement.

16 (5) To strengthen the innovation ecosystem re-
17 lated to the critical material supply chain industry.

18 (6) To collaborate with allies of the United
19 States to support the development of resilient supply
20 chains for critical materials, including through cre-
21 ating innovative partnerships with such allies and
22 other organizations.

23 (c) STUDY PUBLICATION.—The head of the Center
24 shall make publicly available on a website of the Center

1 each report created by the Center pursuant to paragraph
2 (1) or (2) of subsection (b).

3 **SEC. 103. LOAN PROGRAM FOR RESILIENT CRITICAL MATE-**
4 **RIAL SUPPLY CHAINS.**

5 (a) ESTABLISHMENT.—Not later than 1 year after
6 the date of the enactment of this Act and subject to the
7 availability of appropriations, the Secretary of Commerce,
8 acting through the head of the Center and in consultation
9 with the Secretary of State and in collaboration with the
10 heads of the Federal agencies and departments described
11 in section 104(a), shall establish a program to make or
12 guarantee loans made to covered entities to acquire, estab-
13 lish, or enhance facilities related to developing domestic
14 and foreign critical material manufacturing capabilities
15 for the national, energy, and economic security of the
16 United States.

17 (b) ELIGIBILITY.—A covered entity shall be eligible
18 for a loan made or guaranteed under this section if the
19 covered entity meets each of the following criteria:

20 (1) The covered entity has a specific plan to use
21 such loan for constructing, expanding, modernizing,
22 or repurposing a facility, including the acquisition of
23 relevant specialized equipment or a facility manufac-
24 turing such relevant specialized equipment, in the

1 United States or in a foreign country of interest, for
2 critical material manufacturing.

3 (2) The covered entity has an executable plan
4 that supports resilient supply chains for the na-
5 tional, energy, and economic security of the United
6 States, including by identifying—

7 (A) the type of critical material, including
8 qualified substitute and byproducts, the covered
9 entity will produce at the facility described in
10 paragraph (1);

11 (B) the customers or categories of cus-
12 tomers, to which the covered entity plans to sell
13 the critical materials so produced;

14 (C) the benefit of such planned sales to the
15 security and resilience of the critical material
16 supply chain within the United States, includ-
17 ing consideration of any secondary effects
18 strengthening a relevant supply chain with an
19 allied country; and

20 (D) the risks to the supply chains of crit-
21 ical materials for the facility described in para-
22 graph (1) with respect to which the covered en-
23 tity is seeking a loan or loan guarantee under
24 this section that the covered entity must miti-
25 gate, including risks associated with access,

1 availability, confidentiality, integrity, trans-
2 parency, and any lack of geographic diversifica-
3 tion in such critical material supply chains.

4 (3) The covered entity and the operation of the
5 proposed facility will support and expand existing
6 actions taken by the United States Government, in-
7 cluding through the Department of Defense and the
8 Department of Energy, to strengthen the resiliency
9 of the critical material supply chain.

10 (4) The covered entity—

11 (A) can operate the facility on an ongoing
12 basis, in accordance with subparagraphs (A),
13 (B), and (C) of paragraph (2), without depend-
14 ing on additional Federal assistance;

15 (B) can reasonably repay such loan; and

16 (C) meets such other standards for finan-
17 cial health as determined appropriate by the
18 Secretary.

19 (5) The covered entity—

20 (A) will not use funds received under such
21 loan with respect to activities or operations lo-
22 cated in a foreign country of concern or a non-
23 market economy country;

24 (B) is not organized under the laws of a
25 foreign country of concern or a nonmarket

1 economy country or of any jurisdiction within
2 such a country;

3 (C) is not owned, controlled, or operated
4 by a foreign entity of concern;

5 (D) is not otherwise in a partnership or as-
6 sociation with a foreign entity of concern; and

7 (E) is not engaged in any joint research or
8 technology licensing effort for any innovative
9 technology, material, or technique for the crit-
10 ical material supply chain with a foreign entity
11 of concern or a foreign country of concern.

12 (6) The covered entity has a specific plan to fol-
13 low existing procurement policies as implemented by
14 the core jobs mandate in section 2(a)(1) of the Ex-
15 port-Import Bank Act of 1945 (12 U.S.C.
16 635(a)(1)).

17 (c) ADDITIONAL CONSIDERATIONS FOR REVIEW.—In
18 determining whether to make or guarantee a loan to a cov-
19 ered entity under this section with respect to a facility de-
20 scribed in subsection (b)(1), the Secretary shall consider—

21 (1) whether the covered entity has an execut-
22 able plan with respect to such facility to carry out—

23 (A) development of the local workforce by
24 creating and expanding educational and work-
25 force pathways, including pathways developed

1 through engagement with relevant local entities
2 in the community in which such facility is or
3 will be located; and

4 (B) to the greatest extent possible, envi-
5 ronmental sustainability initiatives, including
6 the use of a relevant industrial decarbonization
7 practice or environmentally benign mining prac-
8 tices, as appropriate to such facility; and

9 (2) with respect to a covered entity seeking a
10 loan made or guaranteed for a facility located in a
11 foreign country of interest, such additional factors
12 as the Secretary, in consultation with the Secretary
13 of State and the United States Trade Representa-
14 tive, may determine necessary to ensure that—

15 (A) the covered entity will not use forced
16 or child labor or use other practices that create
17 unduly dangerous workplace conditions that are
18 not consistent with the laws of the United
19 States;

20 (B) the covered entity will meet or exceed
21 United States permissible air and water quality
22 standards as defined under section 101 of the
23 Clean Air Act (42 U.S.C. 7401) and section
24 101 of the Federal Water Pollution Control Act
25 (33 U.S.C. 1251), and, to the greatest extent

1 possible, prevent environmental degradation re-
2 lated to the construction and operation of the
3 facility, including through the use of relevant
4 industrial decarbonization practices and envi-
5 ronmentally benign mining practices;

6 (C) the covered entity is not subject to cov-
7 ered trade action; and

8 (D) the facility will not be located in a for-
9 eign country of concern or a nonmarket econ-
10 omy country or be associated with a foreign en-
11 tity of concern, including through existing or
12 future partnerships between the covered entity
13 and any foreign entity of concern or an associ-
14 ated subsidiary.

15 (d) EXPEDITED REVIEW.—The Secretary may waive
16 subsection (c) with respect to a loan guarantee under this
17 section for a loan with respect to a facility described in
18 subsection (b)(1) if such facility is located within the
19 United States.

20 (e) PRIORITIZATION.—In making or guaranteeing
21 loans under this section, the Secretary shall prioritize
22 loans with respect to facilities that—

23 (1) expand the domestic supply of critical mate-
24 rials that the Secretary determines necessary to
25 the—

1 (A) the national security and defense of
2 the United States;

3 (B) the energy security and independence
4 of the United States; and

5 (C) the economic competitiveness of the
6 United States;

7 (2) have not been supported by prior direct in-
8 vestment (excluding research, development, or dem-
9 onstration support) by the Department of Defense,
10 the Department of Energy, or any other Federal de-
11 partment or agency, unless the Secretary determines
12 that making or guaranteeing such loan is in the best
13 interest of carrying out the purposes described in
14 paragraph (1), including a loan to a covered entity
15 with respect to a facility or activity to expand the
16 domestic supply of such critical minerals that was
17 supported by a prior Federal award; and

18 (3) purchase United States-made goods and
19 services, including mining equipment, machinery,
20 iron, steel, and other goods required to for critical
21 material manufacturing.

22 (f) NOTIFICATION.—Not later than 15 days before
23 making or guaranteeing a loan under this section that ex-
24 ceeds \$100,000,000, the Secretary shall notify the appro-
25 priate committees of Congress of such loan.

1 (g) CONDITIONS OF LOANS AND LOAN GUARAN-
2 TEES.—

3 (1) APPLICATION.—

4 (A) IN GENERAL.—A covered entity seek-
5 ing a loan made or guaranteed under this sec-
6 tion shall submit to the Secretary an applica-
7 tion at such time, in such manner, and con-
8 taining such information as the Secretary deter-
9 mines appropriate, including such records and
10 other information the Secretary determines ap-
11 propriate to determine the eligibility of a cov-
12 ered entity and whether the facility with respect
13 to which such covered entity is seeking such
14 loan is in the interest of the United States.

15 (B) GUARANTEED LOANS.—In addition to
16 the information required to be included in the
17 application under subparagraph (A) and subject
18 to subsection (d), a covered entity seeking a
19 loan guaranteed under this section shall include
20 in such application such information as the Sec-
21 retary determines appropriate to determine
22 whether the loan with respect to which such
23 covered entity is seeking such guarantee is eligi-
24 ble to be guaranteed under this section, includ-

1 ing the lender making such loan and the terms
2 and conditions of such loan.

3 (2) RATES, TERMS, AND REPAYMENTS OF
4 LOANS.—A loan made or guaranteed under this sec-
5 tion shall—

6 (A) be disbursed in installments pursuant
7 to a schedule determined by the Secretary;

8 (B) have an interest rate that does not ex-
9 ceed a level that the Secretary determines ap-
10 propriate, taking into account, as of the date on
11 which the loan is made, the cost of funds to the
12 Department of the Treasury for obligations of
13 comparable maturity; and

14 (C) have a term of not more than 25
15 years.

16 (3) RESPONSIBLE LENDER.—No loan may be
17 guaranteed under this section unless the Secretary
18 determines that—

19 (A) the lender that made such loan is re-
20 sponsible; and

21 (B) such loan provides adequate provisions
22 to protect the interest of the United States.

23 (4) LIMITATION.—

24 (A) CERTIFICATION.—A loan made or
25 guaranteed under this section may not exceed

1 the following amounts unless the President cer-
2 tifies to the appropriate committees of Congress
3 that a loan exceeding such amounts is nec-
4 essary to significantly increase the supply of
5 critical materials relevant to the national, en-
6 ergy, and economic security of the United
7 States:

8 (i) For a loan with respect to a facil-
9 ity located within the United States, the
10 lesser of—

11 (I) \$1,000,000,000 or 50 percent
12 of the total cost of the construction,
13 expansion, modernization, or
14 repurposing of such facility for which
15 the covered entity is seeking such loan
16 in the case of a loan made under this
17 section; or

18 (II) \$1,000,000,000 or 75 per-
19 cent of the total cost of the construc-
20 tion, expansion, modernization, or
21 repurposing of such facility for which
22 the covered entity is seeking such loan
23 in the case of a loan guaranteed
24 under this section.

1 (ii) For a loan with respect to a facil-
2 ity located outside of the United States,
3 the lesser of \$250,000,000 or 25 percent
4 of the total cost of the construction, expan-
5 sion, modernization, or repurposing of such
6 facility for which the covered entity is
7 seeking such loan.

8 (B) MAXIMUM AWARD.—Notwithstanding
9 subparagraph (A), a loan made or guaranteed
10 under this section may not exceed the following
11 amounts:

12 (i) For a loan with respect to a facil-
13 ity located within the United States, the
14 lesser of—

15 (I) \$2,000,000,000 or 50 percent
16 of the total cost of the construction,
17 expansion, modernization, or
18 repurposing of such facility for which
19 the covered entity is seeking such loan
20 in the case of a loan made under this
21 section; or

22 (II) \$2,000,000,000 or 75 per-
23 cent of the total cost of the construc-
24 tion, expansion, modernization, or
25 repurposing of such facility for which

1 the covered entity is seeking such loan
2 in the case of a loan guaranteed
3 under this section.

4 (ii) For a loan with respect to a facil-
5 ity located outside of the United States,
6 the lesser of \$500,000,000 or 25 percent
7 of the total cost of the construction, expan-
8 sion, modernization, or repurposing of such
9 facility for which the covered entity is
10 seeking such loan.

11 (5) ADDITIONAL TERMS.—A loan made or
12 guaranteed under this section may include any other
13 terms and conditions that the Secretary determines
14 to be appropriate.

15 (6) REASONABLE PROSPECT OF REPAYMENT
16 CRITERIA.—For the purposes of determining wheth-
17 er to make or guarantee a loan under this section,
18 the Secretary shall determine whether a covered en-
19 tity has a reasonable prospect of repaying such loan
20 based on the following:

21 (A) The protection of the financial inter-
22 ests of the United States provided by contrac-
23 tual terms of the project the covered entity
24 plans to perform.

1 (B) The expected financial strength of the
2 covered entity—

3 (i) at the time the loan or guarantee
4 would be approved; and

5 (ii) throughout the loan term after the
6 project is completed.

7 (C) The financial strength of the investors
8 and strategic partners of the covered entity, if
9 applicable.

10 (D) Other financial metrics, analyses, or
11 criteria relied upon by the private lending com-
12 munity and other nationally recognized credit
13 rating agencies that the Secretary determines
14 relevant to the evaluation of the financial
15 strength of the covered entity.

16 (h) USE OF FUNDS.—A covered entity that receives
17 a loan made or guaranteed under this section may only
18 use the awarded amounts for the following purposes of
19 supporting activities described in subsection (a), as docu-
20 mented in the application submitted by the covered entity
21 under subsection (g)(1), to—

22 (1) finance the construction, expansion, mod-
23 ernization, or repurposing of a facility, including
24 through the acquisition of relevant equipment and

1 site development, for critical material manufac-
2 turing;

3 (2) finance the construction, expansion, mod-
4 ernization, or repurposing of a facility to manufac-
5 ture relevant specialized equipment described in sub-
6 section (b)(1), including site development;

7 (3) finance the construction, expansion, mod-
8 ernization, or repurposing of a facility, including
9 through the acquisition of relevant specialized equip-
10 ment, for the research, development, and demonstra-
11 tion within the United States of innovative tech-
12 nologies, materials, or techniques related to estab-
13 lishing resilient critical material supply chain;

14 (4) support the expansion or creation of edu-
15 cational and workforce pathways, including engage-
16 ment with the community and relevant local entities
17 through innovative partnerships, including appren-
18 ticeship programs;

19 (5) support activities related to environmental
20 protection and other sustainability practices, includ-
21 ing the implementation of industrial decarbonization
22 practices; or

23 (6) pay reasonable costs related to the oper-
24 ating expenses for a facility described in paragraph
25 (1), (2), or (3), including hiring a specialized work-

1 force, acquiring essential materials, and performing
2 complex equipment maintenance, as determined ap-
3 propriate by the Secretary.

4 (i) LOAN AGREEMENT.—

5 (1) IN GENERAL.—As a condition to receive a
6 loan made or guaranteed under this section, the cov-
7 ered entity receiving such loan shall enter into an
8 agreement with the Secretary under which, during
9 the 10-year period beginning on the date of the first
10 disbursement of such loan, the covered entity—

11 (A) will not engage in any significant
12 transaction, as defined in the agreement, involv-
13 ing the expansion of existing critical materials
14 capabilities of a foreign entity of concern or a
15 foreign entity in a foreign country of concern or
16 a nonmarket economy country;

17 (B) will notify the Secretary of any
18 planned transactions involving the covered enti-
19 ty relating to the expansion of existing critical
20 materials capabilities by a foreign entity of con-
21 cern, a foreign country of concern, or a non-
22 market economy country;

23 (C) will provide records and other nec-
24 essary information at the request of the Sec-

retary to review the compliance of the covered entity to terms of the agreement; and

(D) will return the full amount of such loan that has been disbursed if—

(i) the Secretary determines that such covered entity violated the agreement;

(ii) such covered entity does not remedy such violation or the Secretary determines that such violation cannot be remedied; and

(iii) the Secretary determines that the return of such amounts is necessary.

(2) VIOLATION OF AGREEMENT.—If the Secretary determines that a covered entity violated the agreement such covered entity entered into under paragraph (1) with respect to a loan made or guaranteed under this section or failed to provide proof required pursuant to paragraph (3)(A)(iii) with respect to a planned transaction in accordance with such paragraph the Secretary—

(A) shall—

(i) in the case of a loan that is made under this section, revoke the undisbursed amount of such loan and, if the Secretary determines necessary under paragraph

1 (1)(D)(iii), recover the full amount of such
2 loan that has been disbursed; and

3 (ii) in the case of a loan guaranteed
4 under this section, revoke the guarantee of
5 such loan; and

6 (B) if the Secretary determines that such
7 planned transaction would harm the national,
8 energy, and economic security of the United
9 States, may take other corrective action, includ-
10 ing recommending corrective action to the
11 heads of such other Federal departments or
12 agencies, as may be appropriate to the duties of
13 such departments or agencies.

14 (3) NOTIFICATION OF PLANNED TRANS-
15 ACTIONS.—

16 (A) IN GENERAL.—Not later than 90 days
17 after the date of receipt of a notification de-
18 scribed in subparagraph (B) of paragraph (1)
19 from a covered entity pursuant to an agreement
20 between such covered entity and the Secretary
21 entered into under such paragraph, the Sec-
22 retary shall—

23 (i) determine whether the planned
24 transaction described in such notification
25 would violate such agreement;

1 (ii) notify the covered entity of the de-
2 termination; and

3 (iii) if the Secretary determines that
4 such planned transaction would violate
5 such agreement, require such covered enti-
6 ty to provide to the Secretary proof that
7 such covered entity will not proceed with
8 such planned transaction not later than 45
9 days after the Secretary provides the noti-
10 fication under clause (ii) with respect to
11 such determination.

12 (B) CONGRESSIONAL NOTIFICATION.—If
13 the Secretary requires a covered entity to pro-
14 vide proof under subparagraph (A)(iii) with re-
15 spect to a planned transaction, not later than
16 90 days after the earlier of the date on which
17 the Secretary receives such proof or the date on
18 which the Secretary takes action under sub-
19 paragraph (2) pursuant to the failure of such
20 covered entity to provide such proof, the Sec-
21 retary shall submit to the appropriate commit-
22 tees of Congress—

23 (i) a notification of the planned trans-
24 action;

1 (ii) a brief description of how the Sec-
2 retary determined that the planned trans-
3 action would be a violation; and

4 (iii) a summary of any actions or
5 planned actions in response to such
6 planned transaction.

7 (4) OPPORTUNITY FOR A HEARING.—The Sec-
8 retary may make a determination described in para-
9 graphs (1)(D)(i), (1)(D)(ii), (2), or (3)(A) with re-
10 spect to a covered entity only after such covered en-
11 tity has had an opportunity for a hearing on the
12 record with respect to such determination.

13 (j) CLAWBACK.—

14 (1) TARGET DATES.—As a condition of making
15 or guaranteeing loans under this section, the Sec-
16 retary shall establish target dates by which the con-
17 struction, expansion, modernization, or repurposing,
18 as applicable, of the facility with respect to which
19 such loan was made shall commence and complete.

20 (2) PROGRESSIVE RECOVER FOR DELAYS.—

21 (A) IN GENERAL.—If the construction, ex-
22 pansion, modernization, or repurposing, as ap-
23 plicable, of the facility does not commence and
24 complete within the target dates established
25 under paragraph (1) or the revised target dates

1 established under subparagraph (B)(ii), the
2 Secretary shall progressively recover or disburse
3 up to the full amount of the loan made or guar-
4 anteed under this section.

5 (B) WAIVER.—

6 (i) IN GENERAL.—The Secretary may
7 waive subparagraph (A) with respect to a
8 failure of a covered entity to commence the
9 construction, expansion, modernization, or
10 repurposing, as applicable, of a facility in
11 accordance with the commencement date
12 for such facility established under para-
13 graph (1) if the Secretary makes a formal
14 determination that such covered entity
15 could not foresee or control the cir-
16 cumstances causing such failure, including
17 a failure due to supply chain disruptions,
18 other than such a failure resulting from
19 the failure of the covered entity to cooper-
20 ate with any relevant regulatory agencies
21 for permit approval.

22 (ii) REVISED TARGET DATES.—If the
23 Secretary waives subparagraph (A) with
24 respect to the failure of a covered entity to
25 commence the construction, expansion,

1 modernization, or repurposing, as applica-
2 ble, of a facility in accordance with the
3 commencement date for such facility estab-
4 lished under paragraph (1)—

5 (I) the Secretary shall establish
6 revised target dates by which the con-
7 struction, expansion, modernization,
8 or repurposing, as applicable, of the
9 facility with respect to which such
10 loan was made shall commence and
11 complete; and

12 (II) the relevant agreement under
13 subsection (i)(1) shall be amended to
14 reflect such revised target dates.

15 (3) CONGRESSIONAL NOTIFICATION.—The Sec-
16 retary shall notify appropriate committees of Con-
17 gress—

18 (A) of the target dates determined with re-
19 spect to each loan made or guaranteed under
20 this section that exceeds \$100,000,000; and

21 (B) not later than 15 days after the provi-
22 sion of a waiver under paragraph (2)(B), of the
23 terms of such waiver.

24 (k) LABOR-MANAGEMENT COOPERATION.—

1 (1) IN GENERAL.—Notwithstanding any other
2 provision of law, including the National Labor Rela-
3 tions Act (29 U.S.C. 151 et seq.), this subsection
4 shall apply to any recipient of a loan under this sec-
5 tion who is an employer and any labor organization
6 who represents or seeks to represent any employees
7 or only those employees who perform or will perform
8 work funded by a loan provided under this section.

9 (2) RECOGNITION.—Any employer receiving a
10 loan under this section shall recognize for purposes
11 of collective bargaining a labor organization that
12 demonstrates that a majority of the employees in a
13 unit appropriate for such purposes and who perform
14 or will perform work funded by a loan provided
15 under this section have signed valid authorizations
16 designating the labor organization as their collective
17 bargaining representative and that no other labor or-
18 ganization is certified or recognized pursuant to sec-
19 tion 9 of the National Labor Relations Act (29
20 U.S.C. 159) as the exclusive representative of any of
21 the employees in the unit who perform or will per-
22 form such work. Upon such showing of majority sta-
23 tus, the employer shall notify the labor organization
24 and the National Labor Relations Board that the
25 employer—

1 (A) has determined that the labor organi-
2 zation represents a majority of the employees in
3 such unit who perform or will perform such
4 work; and

5 (B) is recognizing the labor organization
6 as the exclusive representative of the employees
7 in such unit who perform or will perform such
8 work for the purposes of collective bargaining
9 pursuant to that section.

10 (3) DISPUTE RESOLUTION AND UNIT CERTIFI-
11 CATION.—If a dispute over majority status or the
12 appropriateness of the unit described in paragraph
13 (2) arises between the employer and the labor orga-
14 nization, either party may request that the National
15 Labor Relations Board investigate and resolve the
16 dispute. If the Board finds that a majority of the
17 employees in a unit appropriate for purposes of col-
18 lective bargaining who perform or will perform work
19 funded by a loan provided under this section have
20 signed valid authorizations designating the labor or-
21 ganization as their representative for such purposes
22 and that no other individual or labor organization is
23 certified or recognized as the exclusive representative
24 of any of the employees in the unit who perform or
25 will perform such work for such purposes, the Board

1 shall not direct an election but shall certify the labor
2 organization as the representative described in sec-
3 tion 9(a) of the National Labor Relations Act (29
4 U.S.C. 159(a)).

5 (4) MEETINGS AND COLLECTIVE BARGAINING
6 AGREEMENTS.—Not later than 10 days after an em-
7 ployer receiving funding under this section receives
8 a written request for collective bargaining from a
9 recognized or certified labor organization rep-
10 resenting employees who perform or will perform
11 work funded by a loan provided under this section,
12 or within such period as the parties agree upon, the
13 labor organization and employer shall meet and com-
14 mence to bargain collectively and shall make every
15 reasonable effort to conclude such bargaining and
16 sign a collective bargaining agreement.

17 (5) MEDIATION AND CONCILIATION.—If, after
18 the expiration of the 90-day period beginning on the
19 date on which collective bargaining under paragraph
20 (4) began, or such additional period as the parties
21 may agree upon, the parties have failed to reach an
22 agreement, either party may notify the Federal Me-
23 diation and Conciliation Service (referred to in this
24 subsection as the “Service”) of the existence of a
25 dispute and request mediation. Whenever such a re-

1 quest is received, it shall be the duty of the Service
2 promptly to put itself in communication with the
3 parties and to use its best efforts, by mediation and
4 conciliation, to bring them to agreement.

5 (6) TRIPARTITE ARBITRATION.—

6 (A) IN GENERAL.—If, after the expiration
7 of the 30-day period beginning on the date on
8 which the request for mediation is made under
9 paragraph (5), or such additional period as the
10 parties may agree upon, the Service is not able
11 to bring the parties to agreement by mediation
12 and conciliation, the Service shall refer the dis-
13 pute to a tripartite arbitration panel established
14 in accordance with such regulations as may be
15 prescribed by the Service.

16 (B) MEMBERS.—A tripartite arbitration
17 panel established under this clause with respect
18 to a dispute shall be composed of 1 member se-
19 lected by the labor organization, 1 member se-
20 lected by the employer, and 1 neutral member
21 mutually agreed to by the labor organization
22 and the employer. Each such member shall be
23 selected not later than 14 days after the expira-
24 tion of the 30-day period described in subpara-
25 graph (A) with respect to such dispute. Any

1 member not so selected by the date that is 14
2 days after the expiration of such period shall be
3 selected by the Service.

4 (C) DECISIONS.—A majority of a tripartite
5 arbitration panel established under this clause
6 with respect to a dispute shall render a decision
7 settling the dispute as soon as practicable, and
8 (absent extraordinary circumstances or by
9 agreement or permission of the parties) not
10 later than 120 days after the establishment of
11 such panel. Such a decision shall be binding
12 upon the parties for a period of 2 years, unless
13 amended during such period by written consent
14 of the parties. Such decision shall be based
15 on—

16 (i) the financial status and prospects
17 of the employer;

18 (ii) the size and type of the operations
19 and business of the employer;

20 (iii) the cost of living of the employ-
21 ees;

22 (iv) the ability of the employees to
23 sustain themselves, their families, and
24 their dependents on the wages and benefits
25 they earn from the employer; and

1 (v) the wages and benefits other em-
2 ployers in the same business provide their
3 employees.

4 (7) CONTRACTORS AND SUBCONTRACTORS.—
5 Any employer receiving funds under this section to
6 procure goods or services shall require a contractor
7 or subcontractor, whose employees perform or will
8 perform work funded by a loan provided under this
9 section, that contracts or subcontracts with the em-
10 ployer to comply with the requirements set forth in
11 paragraphs (1) through (6).

12 (8) DEFINITIONS.—In this subsection, the
13 terms “employee”, “employer”, and “labor organiza-
14 tion” have the meanings given the terms in section
15 2 of the National Labor Relations Act (29 U.S.C.
16 152).

17 (9) LIMITATION OF FUNDS.—Funds appro-
18 priated to carry out this Act may not be used to as-
19 sist, promote, or deter organizing of labor organiza-
20 tions.

21 (I) WAGE RATE REQUIREMENTS.—

22 (1) DAVIS-BACON.—All laborers and mechanics
23 employed by the covered entity receiving funding
24 under this section, or employed by contractors or
25 subcontractors related to a covered project, shall be

1 paid wages at rates not less than those prevailing on
2 similar projects in the locality, as determined by the
3 Secretary of Labor in accordance with subchapter
4 IV of chapter 31 of title 40, United States Code
5 (commonly referred to as the “Davis-Bacon Act”).

6 (2) AUTHORITY.—The Secretary of Labor shall
7 have, with respect to the labor standards specified in
8 this subsection, the authority and functions set forth
9 in Reorganization Plan Numbered 14 of 1950 (5
10 U.S.C. App.; relating to coordination of administra-
11 tion and consistency of enforcement of certain labor
12 standards for Federal employees) and section 3145
13 of title 40, United States Code.

14 (m) OVERSIGHT.—Not later than four years after the
15 first disbursement of the first loan made or guaranteed
16 under this section, the Inspector General of the Depart-
17 ment of Commerce, in consultation with the Inspector
18 General of the Department of State, shall audit the pro-
19 gram and submit to the appropriate committees of Con-
20 gress a report containing the results of such audit under
21 this subsection to assess—

22 (1) whether the national center has been estab-
23 lished and operated in accordance with section 102;
24 and

1 (2) whether the loan program has been estab-
 2 lished and operated in accordance with this section,
 3 including—

4 (A) whether the Secretary is making or
 5 guaranteeing loans under this section only to
 6 covered entities that meet the requirements in
 7 subsection (b);

8 (B) whether the covered entities receiving
 9 loans made or guaranteed under this section
 10 are using the amounts of such loans in accord-
 11 ance with subsection (h);

12 (C) whether the Secretary has complied
 13 with the limitations under subsection (g)(4) and
 14 under section 106(c); and

15 (D) whether the Secretary is carrying out
 16 the agreements required under subsection (i),
 17 including any congressional notifications re-
 18 quired by such subsection.

19 **SEC. 104. REQUIRED COLLABORATION.**

20 (a) **REQUIRED COLLABORATION.**—In carrying out
 21 the activities under this title, the Secretary of Commerce,
 22 in consultation with the Secretary of State, shall coordi-
 23 nate the activities of the Center and the program estab-
 24 lished by section 103 with relevant Federal agencies and
 25 departments to leverage existing activities across the

1 United States Government to strengthen the critical mate-
2 rials supply chain of the United States, including exchange
3 of information regarding the United States critical mate-
4 rials supply chain, to the extent consistent with the protec-
5 tion of information under other applicable authorities.
6 Such relevant Federal agencies and departments shall in-
7 clude—

8 (1) the Department of Agriculture;

9 (2) the Department of Defense;

10 (3) the Department of Energy;

11 (4) the Department of Health and Human
12 Services;

13 (5) the Department of Homeland Security;

14 (6) the Department of the Interior;

15 (7) the Department of Labor;

16 (8) the Department of the Treasury;

17 (9) the Export-Import Bank of the United
18 States;

19 (10) the United States International Develop-
20 ment Finance Corporation;

21 (11) the White House Council of Environmental
22 Quality;

23 (12) the White House Office of Science and
24 Technology Policy;

1 (13) the White House Office of the United
2 States Trade Representative; and

3 (14) other Federal agencies and departments
4 that the Secretary determines necessary to carry out
5 the activities in this title.

6 (b) OVERSIGHT.—Not later than 4 years after the
7 date of the disbursement of the first award under section
8 103, the Inspector General of the Department of Com-
9 merce, in consultation with the Inspector General of the
10 Department of State, shall submit to the appropriate com-
11 mittees of Congress a report containing the results of an
12 audit of whether the Secretary has sufficiently carried out
13 the interagency coordination activities required by sub-
14 section (a) and consulted with the Secretary of State as
15 required under this title to support the development of se-
16 cure critical material supply chains in the interest of the
17 national, energy, and economic security of the United
18 States.

19 **SEC. 105. MATERIAL SUPPLY CHAIN PUBLIC-PRIVATE**
20 **PARTNERSHIP.**

21 (a) PUBLIC-PRIVATE PARTNERSHIP.—

22 (1) IN GENERAL.—Not later than 1 year after
23 the date of enactment of this section, the Secretary,
24 acting through the head of the Center, in consulta-
25 tion with the Secretary of State, and through the

1 collaboration required under section 104, shall estab-
2 lish a public-private partnership to—

3 (A) support the development of a resilient
4 supply chain;

5 (B) bolster the national, energy, and eco-
6 nomic security of the United States; and

7 (C) support the development of supply
8 chain characteristics in the interests of the
9 United States, including—

10 (i) transparency and traceability;

11 (ii) environmental sustainability;

12 (iii) workforce security and safety;

13 and

14 (iv) innovation.

15 (2) DUTIES.—The public-private partnership
16 shall—

17 (A) engage with stakeholders from across
18 the critical material supply chain, prioritizing
19 domestic stakeholders, including through—

20 (i) convening such stakeholders for
21 regular meetings to inform the activities of
22 the public-private partnership; and

23 (ii) accepting membership from indus-
24 try, nonprofit organizations, trade associa-

1 tions, academia, labor organizations, and
2 equivalent international partners;

3 (B) advise the Center on creating a robust
4 understanding of a critical material supply
5 chain, including through advancing the under-
6 standing of, with respect to such supply
7 chain—

8 (i) market dynamics including market
9 manipulation by foreign countries of con-
10 cern;

11 (ii) pricing and availability dynamics;

12 (iii) transparency and traceability;

13 (iv) environmental sustainability;

14 (v) education and workforce develop-
15 ment;

16 (vi) labor law compliance; and

17 (vii) barriers to adopting innovative
18 technologies, materials, and techniques;

19 (C) establish partnerships with inter-
20 national partners, excluding foreign entities of
21 concern or a foreign entity in a foreign country
22 of concern, to advance the national, energy, and
23 economic security of the United States;

24 (D) operate the Investment Fund estab-
25 lished under subsection (b); and

1 (E) not later than one year after the pub-
2 lic-private partnership is established, and annu-
3 ally thereafter, publish at least one report on
4 the internet website of the Department of Com-
5 merce summarizing the activities undertaken by
6 the public-private partnership during the most
7 recent fiscal year prior to publication of such
8 report, and such report shall include—

9 (i) a summary of the advice provided
10 to the Center established in section 102(a);

11 (ii) a summary of the membership of
12 the public-private partnership;

13 (iii) a summary of the activities car-
14 ried out by the Investment Fund estab-
15 lished in subsection (b); and

16 (iv) a summary of any international
17 collaborations carried out by the public-pri-
18 vate partnership.

19 (3) FUNDING.—Subject to the availability of
20 appropriations, out of the funds authorized to be ap-
21 propriated pursuant to section 106(a), the Secretary
22 shall allocate up to the following amounts to carry
23 out this subsection:

24 (A) \$15,000,000 for fiscal year 2026.

25 (B) \$30,000,000 for fiscal year 2027.

1 (C) \$45,000,000 for fiscal year 2028.

2 (D) \$60,000,000 for fiscal year 2029.

3 (E) \$75,000,000 for the period of fiscal
4 year 2030 and each fiscal year thereafter prior
5 to the expiration of the program.

6 (b) INVESTMENT FUND.—

7 (1) IN GENERAL.—Not later than one year
8 after the establishment of the public-private partner-
9 ship under subsection (a), the public-private partner-
10 ship shall establish an investment fund (in this sec-
11 tion referred to as the “Investment Fund”) to sup-
12 port existing Federal and private investments to ac-
13 quire, establish, or enhance facilities related to devel-
14 oping domestic and foreign critical material manu-
15 facturing capabilities for the national, energy, and
16 economic security of the United States.

17 (2) DUTIES.—The Investment Fund shall—

18 (A) accept and solicit funds from entities
19 described in subsection (a)(2)(A)(ii) to invest
20 and support facilities to expand domestic and
21 foreign capabilities to manufacture critical ma-
22 terials for the national, energy, and economic
23 security of the United States, in accordance
24 with the eligibility requirements described in
25 section 103(b);

1 (B) buy and sell critical materials from the
2 global marketplace, prioritizing domestic pro-
3 ducers, to support the transition to resilient
4 supply chains with stable market prices and
5 store such purchased critical materials within
6 the United States;

7 (C) invest in innovative partnerships with
8 critical material supply chain stakeholders with
9 a prioritization for starts-ups, small and me-
10 dium-sized enterprises, and other entities sup-
11 porting innovative technologies, materials, or
12 techniques;

13 (D) provide innovative financial tools and
14 other risk mitigation mechanisms, such as in-
15 surance products, that follow existing procure-
16 ment policies as implemented pursuant to sec-
17 tion 2(a)(1) of the Export-Import Bank Act of
18 1945 (12 U.S.C. 625(a)(1)), directly or in part-
19 nership with entities currently providing such
20 tools and mechanisms, to stabilize market
21 prices and support domestic capabilities;

22 (E) support demonstration, deployment,
23 and adoption activities related to innovative
24 technologies, materials, including qualified sub-
25 stitutes, or techniques to promote sustainability

1 and increased resiliency, with sufficient re-
2 search collaboration safeguards to protect do-
3 mestic proprietary information;

4 (F) invest acquired profit from activities in
5 subparagraphs (A) and (B) to further the mis-
6 sion of the Investment Fund; and

7 (G) consult regularly with Federal agencies
8 and departments identified in section 104, in-
9 cluding the Export-Import Bank of the United
10 States and the United States International De-
11 velopment Finance Corporation, to ensure
12 alignment with existing Federal efforts designed
13 to promote, fund, resource critical material
14 manufacturing domestically or in a foreign
15 country of interest.

16 (3) LOAN PROGRAM ELIGIBILITY.—

17 (A) IN GENERAL.—The Investment Fund
18 shall—

19 (i) be eligible to receive a loan under
20 the loan program established in section
21 103(a) after submission of the application
22 under subparagraph (B) of this paragraph;
23 and

1 (ii) not be eligible to apply for or re-
2 ceive a loan guarantee under the loan pro-
3 gram in section 103(a).

4 (B) APPLICATION.—To receive a Federal
5 loan under the loan program established in sec-
6 tion 103(a), the Investment Fund shall submit
7 to the Secretary an application that includes—

8 (i) a list of projects, in accordance
9 with the eligibility requirements described
10 in section 103(b)(2), that the fund will
11 support through the receipt of a Federal
12 loan under such program; and

13 (ii) any other information the Sec-
14 retary determines appropriate to evaluate
15 the eligibility of the projects submitted
16 under clause (i) for such loan program.

17 (C) AWARD AMOUNT.—Each award made
18 to the Investment Fund under the loan pro-
19 gram established in section 103(a) shall—

20 (i) be in an amount the Secretary de-
21 termines appropriate; and

22 (ii) not exceed 25 percent of the avail-
23 able loan authority of such loan program
24 for a given fiscal year.

1 (D) ELIGIBLE FORGIVENESS.—Subject to
2 the agreement requirements under subpara-
3 graph (G) and to the extent the Investment
4 Fund maintains good standing, as determined
5 by the Secretary, such Secretary may forgive all
6 or part of a loan awarded to the Investment
7 Fund under this paragraph in an eligible fiscal
8 year, in accordance with the authorities of the
9 agency.

10 (E) TAX TREATMENT.—For purposes of
11 the Internal Revenue Code of 1986—

12 (i) no amount shall be included in the
13 gross income of the Investment Fund by
14 reason of forgiveness of indebtedness de-
15 scribed in subparagraph (D);

16 (ii) no deduction shall be denied, no
17 tax attribute shall be reduced, and no basis
18 increase shall be denied, by reason of the
19 exclusion from gross income provided by
20 clause (i); and

21 (iii) in the case that the Investment
22 Fund is a partnership or S corporation—

23 (I) any amount excluded from in-
24 come by reason of clause (i) shall be
25 treated as tax exempt income for pur-

poses of sections 705 and 1366 of the Internal Revenue Code of 1986; and

(II) except as provided by the Secretary of the Treasury, or a delegate of such Secretary, any increase in the adjusted basis of an interest of a partner in a partnership under section 705 of the Internal Revenue Code of 1986, with respect to any amount described in subclause (I), shall equal the distributive share of deductions of such partner resulting from costs giving rise to forgiveness described in subclause (I).

(F) EFFECTIVE DATE FOR TAX TREATMENT.—The provisions made by subparagraph (E) shall apply to taxable years beginning after December 31, 2025.

(G) REQUIRED AGREEMENT.—Pursuant to section 103(i)—

(i) the Secretary shall enter into the required agreement with the Investment Fund; and

(ii) the Investment Fund shall take on full responsibility for the required agree-

1 ment and the actions of the projects that
2 use funds awarded by the loan program es-
3 tablished in section 103(a) to the Invest-
4 ment Fund.

5 (H) DISCLOSURE.—Not later than one
6 year after date on which the Investment Fund
7 is established under paragraph (1), and annu-
8 ally thereafter, the Investment Fund shall pro-
9 vide an annual report to the Secretary which
10 shall—

11 (i) include all actions taken by the In-
12 vestment Fund upon receipt of each award;

13 (ii) include any additional information
14 the Secretary determines appropriate to
15 ensure robust oversight of the use of each
16 loan awarded to the Investment Fund; and

17 (iii) be published on the internet
18 website of the Department of Commerce.

19 (I) CLAWBACK.—Pursuant to section
20 103(j), the Secretary shall have the authority to
21 recover, or dispense of, up to the full amount
22 of each loan awarded by the loan program es-
23 tablished in section 103(a) for a given fiscal
24 year if—

1 (i) the Investment Fund fails to com-
2 ply with the required agreement in sub-
3 paragraph (G); or

4 (ii) the Secretary is notified of the in-
5 ability of the Investment Fund to use such
6 an award in accordance with section
7 103(h).

8 (J) FAILURE TO COMPLY.—If the Sec-
9 retary is not satisfied with the actions taken by
10 the Investment Fund, including failure by the
11 Investment Fund to comply with the eligibility
12 requirements for the loan program established
13 under section 103(a) or the improper use of
14 funds awarded by such loan program to the In-
15 vestment Fund, the Investment Fund shall—

16 (i) be ineligible for future awards by
17 such loan program; and

18 (ii) remain ineligible until—

19 (I) the Investment Fund presents
20 an executable plan that the Secretary
21 determines appropriate to satisfy the
22 requirements of section 103(b) or sec-
23 tion 103(h);

24 (II) the Secretary shall submit to
25 Congress a report outlining the cor-

1 rective actions the Investment Fund
2 has taken to be eligible to apply for
3 such loan program again; and

4 (III) the Secretary determines
5 that the Investment Fund is eligible
6 to apply for such loan program again.

7 (K) LABOR-MANAGEMENT COOPERA-
8 TION.—Notwithstanding any other provision of
9 law, including the National Labor Relations Act
10 (29 U.S.C. 151 et seq.), any recipient of a loan
11 under this section who is an employer, and any
12 labor organization who represents or seeks to
13 represent any employees or only those employ-
14 ees who perform or will perform work funded
15 by a loan provided under this section, shall be
16 subject to the provisions of section 103(k) of
17 this title.

18 (L) WAGE RATE REQUIREMENTS.—

19 (i) DAVIS-BACON.—All laborers and
20 mechanics employed by the covered entity
21 receiving funding under this section or em-
22 ployed by contractors or subcontractors re-
23 lated to a covered project, shall be paid
24 wages at rates not less than those pre-
25 vailing on similar projects in the locality,

1 as determined by the Secretary of Labor in
2 accordance with subchapter IV of chapter
3 31 of title 40, United States Code (com-
4 monly referred to as the “Davis-Bacon
5 Act”).

6 (ii) AUTHORITY.—The Secretary of
7 Labor shall have, with respect to the labor
8 standards specified in this subparagraph,
9 the authority and functions set forth in
10 Reorganization Plan Numbered 14 of 1950
11 (5 U.S.C. App.; relating to coordination of
12 administration and consistency of enforce-
13 ment of certain labor standards for Fed-
14 eral employees) and section 3145 of title
15 40, United States Code.

16 (4) OVERSIGHT.—Not later than 2 years after
17 the first loan is awarded to the Investment Fund
18 under the loan program established in section
19 103(a), the Inspector General of the Department of
20 Commerce shall audit the Investment Fund and sub-
21 mit to Congress a report—

22 (A) that assesses whether the Investment
23 Fund has complied with the requirements of
24 this title, including—

1 (i) the requirements under section
2 103(b) for maintaining eligibility for the
3 joint loan program;

4 (ii) the requirements under section
5 103(h) regarding the proper use of award-
6 ed or guaranteed funds;

7 (iii) the exclusion of foreign entities of
8 concern or foreign countries of concern;
9 and

10 (iv) any additional requirements that
11 the Investment Fund must meet as deter-
12 mined appropriate by the Secretary; and

13 (B) that proposes a course of action for
14 the Secretary to—

15 (i) remedy each violation by the In-
16 vestment Fund found, if any; and

17 (ii) monitor the progress of the In-
18 vestment Fund towards remedying each
19 violation found by the Secretary.

20 (c) EXCLUSION OF CERTAIN FUNDS.—The Invest-
21 ment Fund under subsection (b) may not accept funds
22 from, allow membership to, create research collaborations
23 with, or partner with a foreign entity of concern or a for-
24 eign entity within a foreign country of concern or a non-
25 market economy country.

1 **SEC. 106. AUTHORIZATION OF APPROPRIATIONS.**

2 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
3 authorized to be appropriated to the Department of Com-
4 merce for the national center established in section 102
5 the following amounts for the applicable fiscal year:

6 (1) \$30,000,000 for fiscal year 2026.

7 (2) \$45,000,000 for fiscal year 2027.

8 (3) \$70,000,000 for fiscal year 2028.

9 (4) \$85,000,000 for fiscal year 2029.

10 (5) \$100,000,000 for each of fiscal years 2030

11 and any fiscal year thereafter before the date de-
12 scribed in section 107.

13 (b) AUTHORIZATION OF LOAN AUTHORITY.—There
14 is authorized to be appropriated to the Department of
15 Commerce for the loan and loan guarantee program estab-
16 lished in section 103 the following amounts for the appli-
17 cable fiscal year:

18 (1) \$1,000,000,000 for fiscal year 2026.

19 (2) \$2,500,000,000 for fiscal year 2027.

20 (3) \$5,000,000,000 for fiscal year 2028.

21 (4) \$7,500,000,000 for fiscal year 2029.

22 (5) \$10,000,000,000 for fiscal year 2030 and

23 any fiscal year thereafter before the date described
24 in section 107.

25 (c) LIMITATION AND MINIMUM THRESHOLDS FOR
26 LOAN AUTHORITY.—Of the amounts appropriated pursu-

1 ant to the authorization under subsection (b) for any fiscal
2 year, other than amounts provided to the Investment
3 Fund established under section 105(b)(1), the Secretary
4 shall ensure to the greatest extent practicable that—

5 (1) a maximum of 30 percent of the available
6 amounts are provided with respect to investments
7 into facilities in foreign countries of interest that—

8 (A) relate to the extraction of critical ma-
9 terials significantly unavailable for domestic ex-
10 traction; and

11 (B) prioritize secondary impacts to the
12 United States, including through purchase
13 agreements with domestic manufacturers;

14 (2) a maximum of 20 percent of the available
15 amounts are provided with respect to investment
16 into facilities within the United States relating to
17 the extraction of domestically available critical mate-
18 rials in the United States;

19 (3) a minimum of 5 percent of the available
20 amounts are provided with respect to investment
21 into facilities related to the manufacturing of nec-
22 essary equipment for the manufacturing of critical
23 materials; and

1 (4) a minimum of 10 percent of the available
2 amounts are provided with respect to facilities lo-
3 cated within the United States related to—

4 (A) the reclamation of critical materials
5 from spent and damaged end-use components
6 through recycling processes; or

7 (B) the demonstration, deployment, or
8 commercialization of innovative technologies
9 such as qualified substitutes.

10 **SEC. 107. TERMINATION.**

11 This title shall terminate on the date that is 10 years
12 after the date of the enactment of this Act.

13 **SEC. 108. DEFINITIONS.**

14 In this title:

15 (1) APPROPRIATE COMMITTEES OF CON-
16 GRESS.—The term “appropriate committees of Con-
17 gress” means—

18 (A) the Committee on Energy and Natural
19 Resources, the Committee on Commerce,
20 Science, and Transportation, the Committee on
21 Foreign Relations, the Committee on Armed
22 Services, and the Committee on Appropriations
23 of the Senate; and

24 (B) the Committee on Energy and Com-
25 merce, the Committee on Foreign Affairs, the

1 Committee on Armed Services, the Committee
2 on Science, Space, and Technology, the Com-
3 mittee on Appropriations, the Committee on
4 Natural Resources, and the Committee on Ways
5 and Means of the House of Representatives.

6 (2) BYPRODUCT.—The term “byproduct” has
7 the meaning given such term in section 7002(a)(1)
8 of the Energy Act of 2020 (30 U.S.C. 1606(a)(1)).

9 (3) CONVERSION.—The term “conversion”
10 means the process to alter a refined or purified crit-
11 ical material to a secondary compound that is sub-
12 ject to supply chain disruptions relevant to the na-
13 tional, energy, and economic security of the United
14 States, including the manufacturing of magnets, al-
15 loys, or multicomponent chemistries, including such
16 chemistries at solid, liquid, or gaseous states.

17 (4) COVERED ENTITY.—The term “covered en-
18 tity” means a nonprofit entity, a private entity, a
19 consortium of private entities, or a consortium of
20 nonprofit, public, and private entities—

21 (A) with a demonstrated ability to—

22 (i) substantially finance, construct, ex-
23 pand, or modernize a facility relating to
24 the extraction, processing or refining, con-

1 version, recycling, or research and develop-
2 ment of critical materials; or

3 (ii) substantially finance and repur-
4 pose an existing facility, including former
5 manufacturing sites, to construct, expand,
6 or modernize the facility for extraction,
7 processing or refining, conversion, recy-
8 cling, or research and development of crit-
9 ical materials; and

10 (B) that is determined by the Secretary of
11 Commerce, in consultation with the Secretary of
12 Defense, the Secretary of Energy, the Secretary
13 of the Interior, the Secretary of State, and the
14 Director of National Intelligence—

15 (i) to be owned or operated by, or a
16 subsidiary of, an entity located in the
17 United States or a foreign entity that has
18 an extensive presence in the United States;
19 and

20 (ii) not to be owned or operated by, or
21 a subsidiary of—

22 (I) any foreign entity of concern
23 or an entity located in a foreign coun-
24 try of concern; or

1 (II) any entity engaged in con-
2 duct that is detrimental to the na-
3 tional security or foreign policy of the
4 United States, including entities that
5 do not uphold international law relat-
6 ing to human rights or environmental
7 protections.

8 (5) COVERED TRADE ACTION.—The term “cov-
9 ered trade action” means any ongoing investigation
10 or final order pursuant to the Trade Act of 1974
11 (19 U.S.C. 2101 et seq.), section 701 of the Tariff
12 Act of 1930 (19 U.S.C. 1671), section 731 of the
13 Tariff Act of 1930 (19 U.S.C. 1673), or any other
14 relevant trade law as determined by the Secretary.

15 (6) CRITICAL MATERIAL.—The term “critical
16 material” has the meaning given such term in sec-
17 tion 7002(a)(2) of the Energy Act of 2020 (30
18 U.S.C. 1606(a)(2)).

19 (7) CRITICAL MATERIAL MANUFACTURING.—
20 The term “critical material manufacturing” means
21 any manufacturing process related to any of the fol-
22 lowing:

23 (A) Extraction of a critical material from
24 the natural ecosystem, including as a byprod-
25 uct.

1 (B) Refining or processing a critical mate-
2 rial.

3 (C) The conversion of a critical material
4 into a secondary compound.

5 (D) The recycling of a critical material
6 from used manufacturing components, including
7 technology components.

8 (E) Any other relevant manufacturing
9 process that produces a qualified substitute for
10 use in the critical material supply chain.

11 (8) FOREIGN COUNTRY OF CONCERN.—The
12 term “foreign country of concern” has the meaning
13 given such term in section 9901 of the William M.
14 (Mac) Thornberry National Defense Authorization
15 Act for Fiscal Year 2021 (15 U.S.C. 4651).

16 (9) FOREIGN COUNTRY OF INTEREST.—The
17 term “foreign country of interest” means a foreign
18 country or a political subdivision of a foreign coun-
19 try that is not a foreign country of concern and with
20 respect to which the Secretary of Commerce, in col-
21 laboration with the Secretary of State and the
22 United States Trade Representative, determines
23 that—

24 (A) the environmental protections of such
25 country with respect to the production of crit-

1 ical materials meet or exceed similar protections
2 in the United States; and

3 (B) no products of the country are prohib-
4 ited for importation into the United States pur-
5 suant to section 307 of the Tariff Act of 1930
6 (19 U.S.C. 1307).

7 (10) FOREIGN ENTITY.—The term “foreign en-
8 tity” has the meaning given such term in section
9 9901 of the William M. (Mac) Thornberry National
10 Defense Authorization Act for Fiscal Year 2021 (15
11 U.S.C. 4651).

12 (11) FOREIGN ENTITY OF CONCERN.—The
13 term “foreign entity of concern” has the meaning
14 given such term in section 9901 of the William M.
15 (Mac) Thornberry National Defense Authorization
16 Act for Fiscal Year 2021 (15 U.S.C. 4651).

17 (12) INDUSTRIAL DECARBONIZATION PRAC-
18 TICE.—The term “industrial decarbonization prac-
19 tice” means—

20 (A) any technology, practice, or technique
21 that lowers the environmental impact or energy
22 requirements of an industrial process;

23 (B) any agreement with a local or region-
24 ally relevant electrical utility to acquire the ma-

1 jority of the required power for a facility from
2 renewable sources; or

3 (C) other technologies, practices, or tech-
4 niques to promote sustainability and reduce and
5 mitigate any environmental degradation that
6 the Secretary of Commerce, in consultation with
7 the Secretary of Energy, deems eligible.

8 (13) NONMARKET COUNTRY ECONOMY.—The
9 term “nonmarket country economy” has the meaning
10 given such term in section 771(18) of the Tariff Act
11 of 1930 (19 U.S.C. 1677(18)).

12 (14) NONPROFIT ENTITY.—The term “non-
13 profit entity” means an entity described in section
14 501(c)(3) of the Internal Revenue Code of 1986 and
15 exempt from taxation under section 501(a) of such
16 Code.

17 (15) PERSON.—The term “person” includes an
18 individual, partnership, association, corporation, or-
19 ganization, or any other combination of individuals.

20 (16) QUALIFIED SUBSTITUTE.—The term
21 “qualified substitute” means any verifiable alter-
22 native to a critical material able to carry out an es-
23 sential function (as such term is used in section
24 7002(a)(2)(ii) of the Energy Act of 2020 (30 U.S.C.
25 1606(a)(2)(ii))) of a critical material.

1 (17) RECYCLING.—The term “recycling” means
 2 the process of collecting and processing spent mate-
 3 rials and devices and turning the materials and de-
 4 vices into raw materials or components that can be
 5 reused either partially or completely.

6 (18) REFINED OR PURIFIED CRITICAL MATE-
 7 RIAL.—The term “refined or purified critical mate-
 8 rial” means a critical material that has undergone
 9 any relevant manufacturing process to remove impu-
 10 rities and to meet industry standards of purity or
 11 concentration for downstream use cases post-extrac-
 12 tion or recycling.

13 (19) SECRETARY.—Unless otherwise specified,
 14 the term “Secretary” means the Secretary of Com-
 15 merce, acting through the Center established in sec-
 16 tion 102.

17 **TITLE II—CRITICAL MATERIAL** 18 **TAX CREDITS**

19 **SEC. 201. CRITICAL MATERIAL INVESTMENT TAX CREDIT.**

20 (a) IN GENERAL.—Subpart E of part IV of sub-
 21 chapter A of chapter 1 of the Internal Revenue Code of
 22 1986 is amended by inserting after section 48E the fol-
 23 lowing new section:

24 **“SEC. 48F. CRITICAL MATERIAL INVESTMENT CREDIT.**

25 “(a) ESTABLISHMENT OF CREDIT.—

1 “(1) IN GENERAL.—For purposes of section 46,
2 the critical material investment credit for any tax-
3 able year is an amount equal to the applicable per-
4 centage of the qualified investment for such taxable
5 year with respect to any critical material facility of
6 an eligible taxpayer.

7 “(2) APPLICABLE PERCENTAGE.—

8 “(A) BASE RATE.—In the case of any crit-
9 ical material facility, the applicable percentage
10 shall be 15 percent.

11 “(B) ALTERNATIVE RATE.—In the case of
12 any critical material facility that meets either of
13 the following criteria, the applicable percentage
14 shall be 25 percent:

15 “(i) The critical material facility ful-
16 fills rules similar to the rules of section
17 45(b)(7).

18 “(ii) The primary purpose of the crit-
19 ical material facility is to produce—

20 “(I) a critical material that the
21 Secretary, in consultation with the
22 heads of other relevant Federal agen-
23 cies and departments, determines has
24 a supply which is significantly vulner-
25 able to disruption (including restric-

1 tions associated with foreign political
 2 risk, abrupt demand growth, military
 3 conflict, violent unrest, anti-competi-
 4 tive or protectionist behaviors, and
 5 other risks throughout the supply
 6 chain),

7 “(II) a qualified substitute, or

8 “(III) a recycled critical material.

9 “(3) DEFINITIONS.—For the purpose of this
 10 section—

11 “(A) CRITICAL MATERIAL.—The term
 12 ‘critical material’ has the meaning given such
 13 term in section 7002(a)(2) of the Energy Act of
 14 2020.

15 “(B) CRITICAL MATERIAL FACILITY.—The
 16 term ‘critical material facility’ means a facility
 17 with respect to which the taxpayer makes an ir-
 18 revocable election to have this subparagraph
 19 apply for which the primary purpose is—

20 “(i) extraction, processing, refining, or
 21 recycling of—

22 “(I) a critical material, or

23 “(II) a qualified substitute,

24 “(ii) converting a critical material into
 25 a magnet, an alloy, or a multicomponent

1 chemistry (in a solid, liquid, or gaseous
2 state) that the Secretary, in consultation
3 with the Secretary of Energy and the Sec-
4 retary of the Interior, determines—

5 “(I) has a supply chain which is
6 vulnerable to disruption (including re-
7 strictions associated with foreign po-
8 litical risk, abrupt demand growth,
9 military conflict, violent unrest, anti-
10 competitive or protectionist behaviors,
11 and other risks throughout the supply
12 chain); and

13 “(II) serves an essential function
14 in the manufacturing of a product (in-
15 cluding energy technology-, defense-,
16 currency-, agriculture-, consumer elec-
17 tronics-, and health care-related appli-
18 cations), the absence of which would
19 have significant consequences for the
20 economic or national security of the
21 United States,

22 “(iii) specialized manufacturing equip-
23 ment used primarily to carry out a process
24 described in clause (i) or (ii), or

1 “(iv) specialized equipment for re-
2 search and development relating to a pur-
3 pose described in clause (i), (ii), or (iii).

4 “(C) QUALIFIED SUBSTITUTE.—The term
5 ‘qualified substitute’ means any material that
6 the Secretary, in consultation with the Sec-
7 retary of Energy and the Secretary of the Inte-
8 rior, determines is a verifiable alternative to a
9 critical material that can carry out an essential
10 function of such critical material in a tech-
11 nology component.

12 “(D) TECHNOLOGY COMPONENT.—The
13 term ‘technology component’ means—

14 “(i) any manufactured component
15 used to manufacture any item which is es-
16 sential to national security, to energy inde-
17 pendence, or to the economic competitive-
18 ness of the United States, or

19 “(ii) an eligible component (as defined
20 in section 45X).

21 “(E) ELIGIBLE TAXPAYER.—The term ‘eli-
22 gible taxpayer’ means, with respect to a taxable
23 year, any taxpayer which is not—

1 “(i) at any point during the taxable
2 year, an entity under the influence, con-
3 trol, or ownership of—

4 “(I) a foreign entity of concern
5 (as defined in section 9901 of the Wil-
6 liam M. (Mac) Thornberry National
7 Defense Authorization Act for Fiscal
8 Year 2021), or

9 “(II) a firm domiciled in a non-
10 market economy (as defined in section
11 771(18) of the Tariff Act of 1930), or

12 “(ii) subject to a covered trade action
13 (as defined in section 108 of the Unearth
14 America’s Future Act) at any point during
15 the taxable year.

16 “(b) QUALIFIED INVESTMENT.—

17 “(1) IN GENERAL.—For purposes of subsection
18 (a), the qualified investment with respect to any crit-
19 ical material facility for any taxable year is the basis
20 of any qualified property placed in service by the
21 taxpayer during such taxable year which is part of
22 such critical material facility.

23 “(2) QUALIFIED PROPERTY.—

1 “(A) IN GENERAL.—For purposes of this
2 subsection, the term ‘qualified property’ means
3 property—

4 “(i) which is tangible property,

5 “(ii) with respect to which deprecia-
6 tion (or amortization in lieu of deprecia-
7 tion) is allowable,

8 “(iii) which is—

9 “(I) constructed, reconstructed,
10 or erected by the taxpayer, or

11 “(II) acquired by the taxpayer if
12 the original use of such property com-
13 mences with the taxpayer, and

14 “(iv) which is integral to the operation
15 of a critical material facility.

16 “(B) BUILDING AND STRUCTURAL COMPO-
17 NENTS.—

18 “(i) IN GENERAL.—The term ‘quali-
19 fied property’ includes any building or its
20 structural components which otherwise sat-
21 isfy the requirements of subparagraph (A).

22 “(ii) EXCEPTION.—Clause (i) shall
23 not apply with respect to a building or por-
24 tion of a building used for offices, adminis-

1 trative services, or other functions unre-
2 lated to manufacturing.

3 “(3) COORDINATION WITH REHABILITATION
4 CREDIT.—The qualified investment with respect to
5 any critical material facility shall not include that
6 portion of the basis of any property which is attrib-
7 utable to qualified rehabilitation expenditures (as de-
8 fined in section 47(c)(2)).

9 “(4) CERTAIN PROGRESS EXPENDITURE RULES
10 MADE APPLICABLE.—Rules similar to the rules of
11 subsections (c)(4) and (d) of section 46 (as in effect
12 on the day before the date of the enactment of the
13 Revenue Reconciliation Act of 1990) shall apply for
14 purposes of subsection (a).

15 “(c) ELECTIVE PAYMENT.—

16 “(1) IN GENERAL.—Except as otherwise pro-
17 vided in paragraph (2)(A), in the case of a taxpayer
18 making an election (at such time and in such man-
19 ner as the Secretary may provide) under this sub-
20 section with respect to the credit determined under
21 subsection (a), such taxpayer shall be treated as
22 making a payment against the tax imposed by sub-
23 title A (for the taxable year with respect to which
24 such credit was determined) equal to the amount of
25 such credit.

1 “(2) SPECIAL RULES.—Rules similar to the
2 rules of section 48D(d)(2) shall apply with respect
3 to an election under paragraph (1).

4 “(d) DENIAL OF DOUBLE BENEFIT.—No credit shall
5 be allowed under section 45X or under section 45BB for
6 any taxable year with respect to any critical material facil-
7 ity with respect to a credit is allowed under this section.

8 “(e) TERMINATION OF CREDIT.—The credit allowed
9 under this section shall not apply to property the construc-
10 tion of which begins after December 31, 2029.”.

11 (b) CONFORMING AMENDMENTS.—

12 (1) Section 46 of such Code is amended by
13 striking “and” at the end of paragraph (6), by strik-
14 ing the period at the end of paragraph (7) and in-
15 serting “, and”, and by adding at the end the fol-
16 lowing new paragraph:

17 “(8) The critical material investment credit.”.

18 (2) Section 49(a)(1)(C) of such Code is amend-
19 ed by striking “and” at the end of clause (vii), by
20 striking the period at the end of clause (viii) and in-
21 serting “, and”, and by adding at the end the fol-
22 lowing new clause:

23 “(ix) the basis of any property which
24 is part of a critical material facility under
25 section 48F.”.

1 (3) Section 50(a)(2)(E) is amended by striking
2 “or 48E(e)” and inserting “48E(e), or 48F(b)(4)”.

3 (4) The table of sections for subpart E of part
4 IV of subchapter A of chapter 1, as amended by sec-
5 tion 107(d) of the CHIPS Act of 2022 (Public Law
6 117–167), is amended by inserting after the item re-
7 lating to section 48E the following new item:

“Sec. 48F. Critical material investment credit.”.

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

11 **SEC. 202. CRITICAL MATERIAL PRODUCTION TAX CREDIT.**

12 (a) IN GENERAL.—Subpart D of part IV of sub-
13 chapter A of chapter 1 of the Internal Revenue Code of
14 1986 is amended by inserting after section 45AA the fol-
15 lowing new section:

16 **“SEC. 45BB. CRITICAL MATERIAL PRODUCTION CREDIT.**

17 “(a) IN GENERAL.—

18 “(1) ALLOWANCE OF CREDIT.—For purposes of
19 section 38, the critical material production credit for
20 any taxable year is an amount equal to the sum of
21 the credit amounts determined under subsection (b)
22 with respect to each eligible material which is—

23 “(A) produced by the taxpayer in the
24 United States, and

1 “(B) during the taxable year, sold by such
2 taxpayer to an unrelated person.

3 “(2) PRODUCTION AND SALE MUST BE IN
4 TRADE OR BUSINESS.—Any eligible material pro-
5 duced and sold by the taxpayer shall be taken into
6 account only if the production and sale described in
7 paragraph (1) is in a trade or business of the tax-
8 payer.

9 “(3) UNRELATED PERSON.—

10 “(A) IN GENERAL.—For purposes of this
11 subsection, a taxpayer shall be treated as selling
12 eligible material to an unrelated person if such
13 eligible material is sold to such person by a per-
14 son related to the taxpayer.

15 “(B) ELECTION.—

16 “(i) IN GENERAL.—At the election of
17 the taxpayer (in such form and manner as
18 the Secretary may prescribe), a sale of eli-
19 gible material by such taxpayer to a re-
20 lated person shall be deemed to have been
21 made to an unrelated person.

22 “(ii) REQUIREMENT.—As a condition
23 of, and prior to, any election described in
24 clause (i), the Secretary may require such
25 information or registration as the Sec-

1 retary deems necessary for purposes of
2 preventing duplication, fraud, or any im-
3 proper or excessive amount determined
4 under paragraph (1).

5 “(b) CREDIT AMOUNT.—

6 “(1) IN GENERAL.—Subject to paragraph (2),
7 the amount determined under this subsection with
8 respect to any eligible material shall be equal to—

9 “(A) in the case of a taxpayer producing
10 eligible material at the initial production stage,
11 the eligible rate shall be equal to 15 percent of
12 the taxpayer’s cost of production, or

13 “(B) in the case of an eligible material
14 with respect to which each input eligible mate-
15 rial is sourced—

16 “(i) domestically, 10 percent of the
17 taxpayer’s cost of production, or

18 “(ii) domestically or from a country
19 listed by the Secretary under subsection
20 (d)(1), 7.5 percent of the taxpayer’s cost of
21 production.

22 “(2) INCREASE IN CREDIT AMOUNT FOR MEET-
23 ING CERTAIN STANDARDS.—In the case of a tax-
24 payer that meets 1 of the following criteria with re-
25 spect to the eligible material with respect to which

1 the amount is determined under paragraph (1), the
2 amount determined under paragraph (1) (deter-
3 mined without regard to this paragraph) shall be in-
4 creased by 10 percentage points:

5 “(A) Each employee, contractor, or sub-
6 contractor employed in relation to the produc-
7 tion of the eligible material by the taxpayer
8 during the taxable year was paid wages at rates
9 not less than the prevailing rates for the appli-
10 cable industry in the locality in which such pro-
11 duction occurred as most recently determined
12 by the Secretary of Labor, in accordance with
13 subchapter IV of chapter 31 of title 40, United
14 States Code, and the taxpayer fulfilled the ap-
15 prenticeship requirements established by the
16 Secretary under subsection (d)(2).

17 “(B) Produces—

18 “(i) a critical material that the Sec-
19 retary, in consultation with the heads of
20 other relevant Federal agencies and de-
21 partments, determines has a supply which
22 is significantly vulnerable to disruption (in-
23 cluding restrictions associated with foreign
24 political risk, abrupt demand growth, mili-
25 tary conflict, violent unrest, anti-competi-

1 tive or protectionist behaviors, and other
2 risks throughout the supply chain),

3 “(ii) a qualified substitute, or

4 “(iii) a recycled critical material.

5 “(3) PHASE OUT.—

6 “(A) IN GENERAL.—In the case of any eli-
7 gible material sold after December 31, 2030,
8 the amount determined under this subsection
9 with respect to such material shall be equal to
10 the product of—

11 “(i) the amount determined under
12 paragraph (1) with respect to such mate-
13 rial, as determined without regard to this
14 paragraph, multiplied by

15 “(ii) the phase out percentage under
16 subparagraph (B).

17 “(B) PHASE OUT PERCENTAGE.—The
18 phase out percentage under this subparagraph
19 is equal to—

20 “(i) in the case of an eligible material
21 sold during calendar year 2031, 75 per-
22 cent,

23 “(ii) in the case of an eligible material
24 sold during calendar year 2032, 50 per-
25 cent,

1 “(iii) in the case of an eligible mate-
2 rial sold during calendar year 2033, 25
3 percent,

4 “(iv) in the case of an eligible mate-
5 rial sold after December 31, 2034, 0 per-
6 cent.

7 “(c) SPECIAL RULES.—For purposes of this sec-
8 tion—

9 “(1) RELATED PERSONS.—Persons shall be
10 treated as related to each other if such persons
11 would be treated as a single employer under the reg-
12 ulations prescribed under section 52(b).

13 “(2) PASS-THRU IN THE CASE OF ESTATES AND
14 TRUSTS.—Under regulations prescribed by the Sec-
15 retary, rules similar to the rules of subsection (d) of
16 section 52 shall apply.

17 “(3) SALE OF INTEGRATED COMPONENTS.—
18 For purposes of this section, a person shall be treat-
19 ed as having sold an eligible material to an unre-
20 lated person if such material is integrated, incor-
21 porated, or assembled into a technology component
22 which is sold to an unrelated person.

23 “(d) REGULATIONS.—

24 “(1) IDENTIFICATION OF SAFE ACQUISITION
25 SOURCES.—Not later than 1 year after the date of

1 the enactment of this section, the Secretary, in con-
2 sultation with the Secretary of State, shall publish
3 and maintain a list of countries that meet the fol-
4 lowing criteria:

5 “(A) The country has environmental pro-
6 tections with respect to the production of eligi-
7 ble materials which meet or exceed such protec-
8 tions in the United States.

9 “(B) No product of the country is prohib-
10 ited for importation into the United States pur-
11 suant to section 307 of the Tariff Act of 1930.

12 “(C) The country has labor laws which en-
13 sure wage rates are determined by free bar-
14 gaining between labor and management.

15 “(D) The country is not—

16 “(i) a foreign entity of concern (as de-
17 fined in section 9901 of the William M.
18 (Mac) Thornberry National Defense Au-
19 thorization Act for Fiscal Year 2021), or

20 “(ii) a nonmarket economy country
21 (as defined in section 771(18) of the Tariff
22 Act of 1930).

23 “(2) APPRENTICESHIP REQUIREMENT.—The
24 Secretary, in consultation with the Secretary of
25 Labor, shall establish such apprenticeship require-

1 ments as are appropriate for each affected industry
 2 for purposes of subsection (b)(2)(A).

3 “(e) LIMITATION.—For the purposes of calculating
 4 the eligible credit amount for a taxpayer, the taxpayer
 5 shall be unable to claim an eligible credit under this sec-
 6 tion if the taxpayer has already claimed an eligible credit
 7 for production of an applicable critical mineral under sec-
 8 tion 45X for the current year in which this section is being
 9 claimed.

10 “(f) DEFINITIONS.—For the purpose of this sec-
 11 tion—

12 “(1) TERMS USED IN SECTION 48F.—The terms
 13 ‘eligible material’, ‘qualified substitute’, ‘critical ma-
 14 terial’, and ‘technology component’ have the mean-
 15 ings given such terms in section 48F.

16 “(2) INITIAL PRODUCTION STAGE.—The term
 17 ‘initial production stage’ means a stage of produc-
 18 tion in which the taxpayer produces an eligible mate-
 19 rial through—

20 “(A) extraction,

21 “(B) recycling, or

22 “(C) in the case of a qualified substitute,
 23 any means.

24 “(3) TAXPAYER’S COST OF PRODUCTION.—The
 25 term ‘taxpayer’s cost of production’ means amounts

1 paid or incurred by the taxpayer to produce an eligi-
 2 ble material, excluding amounts paid or incurred—
 3 “(A) for labor,
 4 “(B) for transportation of any property,
 5 and
 6 “(C) administrative expenses.”.

7 (b) CREDIT ALLOWED AS PART OF GENERAL BUSI-
 8 NESS CREDIT.—Section 38(b) of such Code is amended
 9 by striking “plus” at the end of paragraph (40), by strik-
 10 ing the period at the end of paragraph (41) and inserting
 11 “, plus”, and by adding at the end the following new para-
 12 graph:

13 “(42) section 45BB (critical material produc-
 14 tion credit).”.

15 (c) CLERICAL AMENDMENT.—The table of sections
 16 for subpart D of part IV of subchapter A of chapter 1
 17 of such Code is amended by adding at the end the fol-
 18 lowing new item:

“Sec. 45BB. Critical material production credit.”.

19 (d) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to materials sold after the date
 21 of the enactment of this Act.

22 **SEC. 203. CONSULTATION.**

23 (a) INDUSTRIAL ADVISORY BOARD.—

24 (1) ESTABLISHMENT.—The Secretary of the
 25 Treasury shall establish an advisory committee to be

1 composed of not fewer than 15 members, including
2 representatives of industry, academia, trade organi-
3 zations, environmental protection organizations,
4 labor organizations, and international partners, as
5 appropriate, who are qualified to provide advice on
6 matters relevant to increasing domestic capacity of
7 critical materials manufacturing.

8 (2) REPRESENTATION OF CERTAIN GROUPS.—

9 The Secretary, in carrying out paragraph (1), shall
10 ensure that at least 2 members of the advisory com-
11 mittee established under such paragraph are rep-
12 resentatives of—

13 (A) an environmental protection organiza-

14 tion, and

15 (B) a labor organization.

16 (3) FACA EXEMPTION.—Section 14 of the Fed-

17 eral Advisory Committee Act (5 U.S.C. App.) shall
18 not apply to the advisory committee established
19 under this subsection.

20 (b) INTERAGENCY COORDINATION.—In carrying out

21 the development of guidance necessary to the implementa-
22 tion of subsection (a), the Secretary of the Treasury shall
23 consult the following:

24 (1) The advisory committee established under
25 subsection (a)(1).

1 (2) The Secretary of Agriculture.

2 (3) The Secretary of Commerce.

3 (4) The Secretary of Defense.

4 (5) The Secretary of Energy.

5 (6) The Secretary of Health and Human Serv-
6 ices.

7 (7) The Secretary of Homeland Security.

8 (8) The Secretary of the Interior.

9 (9) The United States Trade Representative.

10 (10) The Director of the White House Office of
11 Science and Technology Policy.

12 (11) Such other head of a Federal agency as
13 the Secretary determines appropriate.

14 **TITLE III—CRITICAL MATERIAL**
15 **RESEARCH AND DEVELOPMENT**

16 **SEC. 301. CLARIFYING MINING RESEARCH AT THE NA-**
17 **TIONAL SCIENCE FOUNDATION.**

18 (a) IN GENERAL.—Section 10359 of title III of divi-
19 sion B of the Research and Development, Competition,
20 and Innovation Act (42 U.S.C. 19067; Public Law 117–
21 167) is amended—

22 (1) in the section heading, by striking “**MIN-**
23 **ERALS**” and inserting “**MATERIALS**”;

24 (2) in subsection (a)—

1 (A) in the subsection heading, by striking
2 “MINERALS” and inserting “MATERIALS”;

3 (B) by amending paragraph (1) to read as
4 follows:

5 “(1) IN GENERAL.—In order to support supply
6 chain resiliency, the Director shall make awards, on
7 a competitive basis, to institutions of higher edu-
8 cation, nonprofit organizations, or private entities
9 (or consortia of such institutions, organizations, or
10 entities) to support research and development that
11 will accelerate innovation to advance critical mate-
12 rials mining strategies and technologies for the pur-
13 pose of making better use of domestic resources and
14 eliminating national reliance on critical materials
15 that are subject to supply disruptions.”;

16 (C) in paragraph (2)—

17 (i) by amending subparagraph (A) to
18 read as follows:

19 “(A) advancing mining research and devel-
20 opment activities to develop new mapping and
21 mining technologies and techniques, including
22 advanced critical material extraction and pro-
23 duction, separation, alloying, or processing tech-
24 niques and technologies that can decrease en-
25 ergy intensity to improve existing or develop

1 new supply chains of critical materials, and
2 yield more efficient, economical, and environ-
3 mentally benign mining practices;”;

4 (ii) by striking subparagraph (B) and
5 redesignating subparagraphs (C), (D), (E),
6 (F), (G), and (H), as subparagraphs (B),
7 (C), (D), (E), (F), and (G), respectively;

8 (iii) in subparagraph (C), as so redes-
9 ignated, by striking “minerals” and insert-
10 ing “materials”;

11 (iv) in subparagraph (D), as so redes-
12 ignated, by striking “minerals” and insert-
13 ing “materials”;

14 (v) in subparagraph (E), as so redes-
15 ignated, by striking “minerals” and insert-
16 ing “materials”; and

17 (vi) in subparagraph (F), as so redes-
18 ignated, by striking “minerals” and insert-
19 ing “materials”;

20 (D) by redesignating paragraph (3) as
21 paragraph (4); and

22 (E) by inserting after paragraph (2) the
23 following new paragraph:

24 “(3) COLLABORATION.—In carrying out this
25 subsection, the Director shall collaborate with the

1 Secretary of the Interior, the Secretary of Energy,
2 the Director of the National Institute of Standards
3 and Technology, the Director of the Office of
4 Science and Technology Policy, and the heads of
5 other relevant Federal departments and agencies, in-
6 cluding facilities such as the National Laboratories,
7 Manufacturing USA institutes, and other federally
8 funded research and development centers, academia,
9 industry, nonprofit organizations, labor organiza-
10 tions, and international partners, as appropriate, to
11 carry out the purposes described in paragraph (1).”;
12 and

13 (3) by amending subsection (c) to read as fol-
14 lows:

15 “(c) CRITICAL MATERIAL DEFINED.—In this section,
16 the term ‘critical material’ has the meaning given such
17 term in section 7002(a)(2) of the Energy Act of 2020 (30
18 U.S.C. 1606(a)(2)).”.

19 (b) CLERICAL AMENDMENT.—The table of contents
20 in sections 1 and 10000 of Public Law 117–167 are
21 amended by striking the items relating to section 10359
22 and inserting the following new items:

“Sec. 10359. Critical materials mining research and development.”.

1 **SEC. 302. CLARIFYING MINING RESEARCH AT THE DEPART-**
2 **MENT OF ENERGY.**

3 Section 40210 of the Infrastructure Investment and
4 Jobs Act (42 U.S.C. 18743) is amended—

5 (1) in subsection (a)—

6 (A) by redesignating paragraphs (3), (4),
7 (5), (6), (7), (8), (9), and (10) as paragraphs
8 (4), (5), (6), (7), (8), (9), (10), and (11), re-
9 spectively;

10 (B) by inserting after paragraph (2) the
11 following new paragraph:

12 “(3) CRITICAL MATERIAL.—The term ‘critical
13 material’ has the meaning given such term in section
14 7002(a)(2) of the Energy Act of 2020 (30 U.S.C.
15 1606(a)(2)).”; and

16 (C) by adding at the end the following new
17 paragraph:

18 “(12) SKILLED TECHNICAL WORKFORCE.—The
19 term ‘skilled technical workforce’ has the meaning
20 given such term in section 4(b) of the Innovations
21 in Mentoring, Training, and Apprenticeships Act (42
22 U.S.C. 1862p note; Public Law 115–402).”; and

23 (2) by amending subsection (b) to read as fol-
24 lows:

25 “(b) CRITICAL MATERIAL MINING RESEARCH AND
26 DEVELOPMENT.—

1 “(1) IN GENERAL.—In order to support supply
2 chain resiliency, the Secretary shall issue awards, on
3 a competitive basis, to eligible entities described in
4 paragraph (2) to support research and development
5 activities that will accelerate innovation to advance
6 critical materials mining and associated extraction
7 technologies and strategies for the purposes of—

8 “(A) making better use of domestic re-
9 sources;

10 “(B) eliminating national reliance on crit-
11 ical materials that are subject to supply disrup-
12 tions; and

13 “(C) promoting sustainability with critical
14 materials mining.

15 “(2) ELIGIBLE ENTITIES.—Entities eligible to
16 receive an award under paragraph (1) are the fol-
17 lowing:

18 “(A) Federally funded facilities, including
19 National Laboratories, Manufacturing USA in-
20 stitutes, and other federally funded research
21 and development centers.

22 “(B) Relevant State, local, or Tribal gov-
23 ernmental entities with specialized resources to
24 carry out paragraph (1).

25 “(C) Institutions of higher education.

1 “(D) Nonprofit organizations.

2 “(E) Consortia of entities described in sub-
3 paragraphs (A) through (D), including con-
4 sortia that collaborate with private industry.

5 “(3) USE OF FUNDS.—Activities funded by an
6 award under this section may include the following:

7 “(A) Advancing mining research and devel-
8 opment activities to develop new mapping and
9 mining technologies and techniques, including
10 advanced critical material extraction and sepa-
11 ration—

12 “(i) to improve existing, or to develop
13 new, supply chains of critical materials;
14 and

15 “(ii) to yield more efficient, economi-
16 cal, and environmentally benign mining
17 practices, including through innovative
18 technology and relevant mining equipment
19 applications.

20 “(B) Conducting long-term earth observa-
21 tion of reclaimed mine sites, including the study
22 of the evolution of microbial diversity at those
23 sites.

24 “(C) Examining the application of artificial
25 intelligence for geological exploration of critical

1 materials, including what size and diversity of
2 data sets would be required.

3 “(D) Examining the application of ma-
4 chine learning for detection and sorting of crit-
5 ical materials, including what size and diversity
6 of data sets would be required.

7 “(E) Conducting detailed isotope studies of
8 critical materials and the development of more
9 refined geologic models.

10 “(F) Providing education, training, and
11 relevant research opportunities to—

12 “(i) post-secondary students to ex-
13 pand the critical materials workforce, par-
14 tially students in engineering and material
15 science disciplines; and

16 “(ii) the skilled technical workforce.

17 “(4) COLLABORATION.—In carrying out this
18 subsection, the Secretary shall collaborate with the
19 Secretary of the Interior, the Director of the Na-
20 tional Science Foundation, the Director of the Na-
21 tional Institute of Standards and Technology, the
22 Director of the Office of Science and Technology
23 Policy, and the heads of other relevant Federal de-
24 partments and agencies, including facilities such as
25 the National Laboratories, Manufacturing USA in-

stitutes, and other federally funded research and development centers, academia, industry, nonprofit organizations, labor organizations, and international partners, as appropriate, to carry out the purposes described in paragraph (1).

“(5) EXISTING PROGRAMS.—The Secretary shall ensure awards issued under this subsection are complementary and not duplicative of existing programs across the Department of Energy and the Federal Government.”.

SEC. 303. CRITICAL MATERIALS RESEARCH AND DEVELOPMENT.

(a) IN GENERAL.—In support of the security and competitiveness of the United States, the Director of the National Science Foundation (in this section referred to as the “Director”) shall make awards, on a competitive basis, to institutions of higher education, nonprofit organizations, or private entities (or consortia of such institutions, organizations, or entities) for the purposes described in subsection (b).

(b) PURPOSES DESCRIBED.—The purposes described in this subsection include any of the following:

(1) Research and development activities to advance innovative technologies, materials, and techniques relevant to the sustainability, security, and

1 traceability of critical material supply chains, includ-
2 ing the following:

3 (A) Technologies for the manufacturing of
4 critical materials, including innovative equip-
5 ment applications and industrial
6 decarbonization processes, across processes such
7 as processing, refining, conversion, and recy-
8 cling.

9 (B) Innovative and emerging materials for
10 improved or new uses within the supply chain,
11 including the following:

12 (i) Innovative alloys, magnets, anodes,
13 and other multichemical compound mate-
14 rials.

15 (ii) Qualified substitutes designed to
16 replace part or all of a traditionally ex-
17 tracted critical material within a down-
18 stream application.

19 (iii) Byproducts of existing supply
20 chains that may be recovered at sufficient
21 quantities for use.

22 (C) Innovative and emerging downstream
23 applications that—

24 (i) reduce reliance on critical material
25 supply chains subject to disruptions; or

1 (ii) reduce or replace part or all of a
2 traditionally extracted critical material.

3 (D) Any technology, material, or technique
4 to promote circularity and sustainability within
5 the critical material supply chain through in-
6 creasing the reusability of a critical material.

7 (2) Education and workforce development op-
8 portunities to support a robust critical materials
9 workforce, which may include any of the following:

10 (A) Providing training and research oppor-
11 tunities to undergraduate and graduate stu-
12 dents to ensure a robust critical material tech-
13 nical workforce.

14 (B) Providing training and other edu-
15 cational pathways to ensure a robust critical
16 material manufacturing workforce through
17 short-term credentials and career and technical
18 education activities, including the following:

19 (i) Pathways designed to upskill and
20 reskill, as the case may be, the existing
21 workforce.

22 (ii) Pathways and emerging trends de-
23 signed to address workforce shortages, in-
24 cluding as a result of skill gaps, of the fu-
25 ture workforce.

1 (c) TESTBEDS.—In carrying out this section, subject
2 to the availability of appropriations for such purposes, the
3 Director may establish test beds, pursuant to section
4 10390 of the Research and Development, Competition,
5 and Innovation Act (42 U.S.C. 19110; enacted as part of
6 division B of Public Law 117–167), to advance innovative
7 technologies, materials, and techniques for the purpose of
8 creating sustainable, secure, and transparent critical ma-
9 terial supply chains. In doing so, the Director shall
10 prioritize the translation and commercialization of the fol-
11 lowing:

12 (1) Qualified substitutes.

13 (2) Byproducts.

14 (3) Downstream applications using innovative
15 combinations of critical materials, including byprod-
16 ucts, qualified substitutes, or recycled content.

17 (4) Decarbonization technologies, including any
18 such technology that improves sustainability of the
19 manufacturing process for critical materials.

20 (5) Recycling technologies.

21 (d) CRITICAL MATERIALS EDUCATION.—

22 (1) IN GENERAL.—The Director shall, on a
23 competitive, merit-reviewed basis, make awards to
24 institutions of higher education and nonprofit orga-
25 nizations (or consortia of such institutions and orga-

1 nizations, which may also include private entities) to
2 establish partnerships to enhance and broaden par-
3 ticipation in fields relevant for education and train-
4 ing for the critical material supply chain.

5 (2) ACTIVITIES.—Awards made under this sub-
6 section shall be used for the following:

7 (A) To—

8 (i) conduct training and education ac-
9 tivities, including curricula design, develop-
10 ment, dissemination, and assessment; and

11 (ii) share information and best prac-
12 tices across the network of awardees.

13 (B) To develop regional partnerships
14 among associate degree-granting colleges, bach-
15 elor degree-granting institutions, workforce de-
16 velopment programs, labor organizations, and
17 industry to create a diverse national technical
18 workforce trained in fields relevant to the crit-
19 ical material supply chain and ensure education
20 and training is meeting the evolving needs of
21 industry.

22 (C) To facilitate partnerships with employ-
23 ers, employer consortia, or other private sector
24 organizations that offer apprenticeships, intern-

ships, or applied learning experiences in fields relevant to the critical material supply chain.

(D) To develop shared infrastructure available to institutions of higher education, two-year colleges, and private organizations to enable experiential learning activities and provide physical or digital access to training facilities and industry-standard tools and processes.

(E) To create and disseminate public outreach to support awareness of education and career opportunities relevant to the critical material supply chain, including through outreach to K–12 schools and STEM-related organizations.

(F) To collaborate and coordinate with industry and existing public and private organizations conducting education and workforce development activities in fields relevant to the critical material supply chain, as practicable.

(3) NATIONAL COORDINATION.—To coordinate activities, best practice sharing, and access to facilities across the partnerships established in accordance with paragraph (1), the Director shall ensure that activities carried out by the partnerships under

1 this subsection are coordinated to the greatest extent
2 possible.

3 (4) PRIORITY.—To the extent practicable, the
4 Director shall prioritize awardees under paragraph
5 (1) that include entities focused on supporting the
6 creation of a technical workforce relevant to the crit-
7 ical material supply chain, including entities such as
8 associate degree-granting colleges, career and tech-
9 nical entities, workforce development programs,
10 labor organizations, and industry.

11 (e) COLLABORATION.—In carrying out this section,
12 the Director shall collaborate with the Secretary of En-
13 ergy, the Director of the National Institute of Standards
14 and Technology, the Director of the Office of Science and
15 Technology Policy, and the heads of other relevant Fed-
16 eral departments and agencies, including facilities such as
17 the National Laboratories, Manufacturing USA institutes,
18 and other federally funded research and development cen-
19 ters, academia, industry, nonprofit organizations, labor or-
20 ganizations, and international partners, as appropriate, to
21 carry out the purposes described in subsection (b).

22 (f) EXISTING PROGRAMS.—The Director shall ensure
23 awards made under this section are complementary and
24 not duplicative of existing programs across the National
25 Science Foundation and the Federal Government.

1 **SEC. 304. CRITICAL MATERIALS STANDARDS AND METROL-**
2 **OGY.**

3 (a) IN GENERAL.—Subject to the availability of ap-
4 propriations for such purposes, the Director of the Na-
5 tional Institute of Standards and Technology (referred to
6 in this section as the “Director”) shall carry out a critical
7 materials program to enable advances and breakthroughs
8 in measurement science, technical standards, material
9 characterization, instrumentation, testing, and manufac-
10 turing, including recycling, capabilities that will accelerate
11 research and development and produce relevant technical
12 standards for sustainable, secure, and traceable critical
13 material supply chains.

14 (b) ACTIVITIES.—In carrying out subsection (a), the
15 Director shall carry out measurement science, technical
16 standards, material characterization, instrumentation,
17 testing, or other activities, as appropriate, to support the
18 following:

19 (1) Activities related to advancing innovative
20 materials, including byproducts and qualified sub-
21 stitutes, recycled materials, and innovative combina-
22 tions for downstream applications.

23 (2) Activities related to advancing recycling
24 processes of critical materials, including techniques
25 to improve reusability of recycled content.

1 (3) Activities related to facilitating the develop-
2 ment of technical standards within the critical mate-
3 rial supply chain to promote interoperability, collabo-
4 ration, and traceability.

5 (4) Activities related to paragraphs (1) through
6 (3) with international partners, as appropriate.

7 (5) Other activities identified by the Director,
8 as appropriate, to advance the goal described in such
9 subsection.

10 (c) CRITICAL MATERIALS RECYCLING CONSOR-
11 TIUM.—

12 (1) IN GENERAL.—Subject to the availability of
13 appropriations for such purpose, the Director shall
14 convene a consortium to identify future standards
15 and metrology needs to promote advanced recycling
16 processes of critical materials.

17 (2) MEMBERSHIP.—

18 (A) IN GENERAL.—The members of the
19 Consortium may include representatives from
20 the National Laboratories, Manufacturing USA
21 institutes, and other federally funded research
22 and development centers, academia, industry,
23 nonprofit organizations, labor organizations,
24 and international partners, as appropriate.

1 (B) EXCLUSION.—The Consortium may
2 not offer membership to any individual who is
3 a representative of a foreign entity of concern
4 or a foreign entity of a foreign country of con-
5 cern.

6 (3) RESPONSIBILITIES.—The Consortium
7 shall—

8 (A) access the current gaps within relevant
9 technical standards and metrology regarding
10 the needs described in paragraph (1);

11 (B) identify any gaps in research necessary
12 to meet such needs; and

13 (C) provide recommendations regarding
14 how Federal agencies can address such gaps in
15 carrying out activities related to critical mate-
16 rials recycling.

17 (4) REPORT TO CONGRESS.—Not later than two
18 years after the establishment of the Consortium, the
19 Director shall submit to the Committee on Com-
20 merce, Science, and Transportation of the Senate
21 and the Committee on Science, Space, and Tech-
22 nology of the House of Representatives a report
23 summarizing the findings of the Consortium.

24 (5) COLLABORATION.—The Director shall en-
25 sure that the activities carried out by the Consor-

1 tium are complementary and not duplicative of the
 2 collaborative activities carried out by the Critical
 3 Materials Consortium established under section
 4 7002(g)(8) of the Energy Act of 2020 (30 U.S.C.
 5 1606(g)(8)).

6 (6) TERMINATION.—The Consortium shall ter-
 7 minate five years after its establishment.

8 (d) COLLABORATION.—In carrying out this section,
 9 the Director shall collaborate with the Secretary of En-
 10 ergy.

11 (e) EXISTING PROGRAMS.—The Director shall ensure
 12 activities carried out under this section are complementary
 13 and not duplicative of existing programs across the Na-
 14 tional Institute of Standards and Technology, the Depart-
 15 ment of Energy, and other Federal departments and agen-
 16 cies.

17 **SEC. 305. CRITICAL MATERIALS DEMONSTRATION.**

18 Subsection (d) of section 40210 of the Infrastructure
 19 Investment and Jobs Act (42 U.S.C. 18743) is amended
 20 to read as follows:

21 “(d) GRANT PROGRAM FOR PILOT PROJECTS TO EX-
 22 PAND DOMESTIC CAPACITY OF CRITICAL MATERIALS.—

23 “(1) ESTABLISHMENT.—The Secretary shall es-
 24 tablish a grant program to finance pilot projects to
 25 promote domestic capacity, reduce reliance on supply

1 chains subject to disruptions, and support innovation
2 in the critical material supply chain.

3 “(2) USE OF FUNDS.—Pilot projects under
4 paragraph (1) may include any of the following to
5 increase the domestic capabilities of the United
6 States to manufacture critical materials across the
7 entire cycle of the critical material supply chain:

8 “(A) Innovative technologies, including ap-
9 plications for manufacturing equipment and in-
10 dustrial decarbonization.

11 “(B) Innovative and emerging materials
12 for improved or new uses with the supply chain,
13 including qualified substitutes, byproducts, or
14 recycled or reclaimed critical materials.

15 “(C) Innovative and emerging downstream
16 applications to reduce reliance on critical mate-
17 rials subject to supply chain disruptions.

18 “(D) Any other technology, material, or
19 technique to promote circularity and sustain-
20 ability, including through environmentally be-
21 nign processes, within the critical material sup-
22 ply chain.

23 “(3) LIMITATIONS.—

1 “(A) LIMITATION ON GRANT AWARDS.—A
2 grant awarded under paragraph (1) may not
3 exceed \$25,000,000.

4 “(B) ECONOMIC VIABILITY.—In awarding
5 grants under paragraph (1), the Secretary shall
6 give priority to projects that the Secretary de-
7 termines are likely to be economically viable
8 over the long term.

9 “(C) PRIORITY.—In awarding grants
10 under paragraph (1), the Secretary shall seek
11 to award not less than 40 percent of the total
12 amount of grants awarded during the fiscal
13 year for projects relating to the following:

14 “(i) Qualified substitute.

15 “(ii) Secondary recovery.

16 “(iii) Recycling.

17 “(D) PROHIBITION ON AWARDS TO FOR-
18 EIGN COUNTRIES OF CONCERN.—In awarding
19 grants under paragraph (1), the Secretary shall
20 ensure that pilot projects do not export for any
21 manufacturing process of a critical material to
22 a foreign country of concern.

23 “(4) COLLABORATION.—In carrying out this
24 subsection, the Secretary shall collaborate with the
25 Secretary of Commerce, the Secretary of Defense,

1 the Secretary of the Interior, the Director of the Na-
2 tional Science Foundation, the Director of the Na-
3 tional Institute of Standards and Technology, the
4 Director of the Office of Science and Technology
5 Policy, and the heads of other relevant Federal de-
6 partments and agencies, including facilities such as
7 the National Laboratories, Manufacturing USA in-
8 stitutes, and other federally funded research and de-
9 velopment centers, academia, industry, nonprofit or-
10 ganizations, labor organizations, and international
11 partners, as appropriate, to carry out the purposes
12 described in paragraph (1).

13 “(5) EXISTING PROGRAMS.—The Secretary
14 shall ensure awards made under paragraph (1) are
15 complementary and not duplicative of existing pro-
16 grams across the Department of Energy and the
17 Federal Government.

18 “(6) AUTHORIZATION OF APPROPRIATIONS.—
19 There is authorized to be appropriated to the Sec-
20 retary to carry out this subsection \$150,000,000 for
21 each of fiscal years 2026 through 2030.

22 “(7) DEFINITIONS.—In this subsection:

23 “(A) CONVERSION.—The term ‘conversion’
24 means the process to alter a refined or purified
25 critical material to a secondary compound that

1 is subject to supply chain disruptions relevant
2 to the national, energy, and economic security
3 of the United States, including the manufac-
4 turing of magnets, alloys, or multicomponent
5 chemistries, including such chemistries at solid,
6 liquid, or gaseous states.

7 “(B) CRITICAL MATERIAL SUPPLY
8 CHAIN.—The term ‘critical material supply
9 chain’ means the lifecycle of a critical material,
10 including the extraction, processing or refining,
11 conversion, and recycling of a critical material.

12 “(C) FOREIGN COUNTRY OF CONCERN.—
13 The term ‘foreign country of concern’ has the
14 meaning given such term in section 9901 of the
15 William M. (Mac) Thornberry National Defense
16 Authorization Act for Fiscal Year 2021 (15
17 U.S.C. 4651).

18 “(D) QUALIFIED SUBSTITUTE.—The term
19 ‘qualified substitute’ means any verifiable alter-
20 native to a critical material, including converted
21 critical material compounds, able to carry out
22 an essential function (as such term is used in
23 section 7002(a)(2)(ii) of the Energy Act of
24 2020 (30 U.S.C. 1606(a)(2)(ii))) of a critical
25 material.

“(E) REFINED OR PURIFIED CRITICAL MATERIAL.—The term ‘refined or purified critical material’ means a critical material that has undergone any relevant manufacturing process to remove impurities and to meet industry standards of purity or concentration for downstream use cases post-extraction or recycling.”.

SEC. 306. DEFINITIONS.

In this title:

(1) BYPRODUCT.—The term “byproduct” has the meaning given such term in section 7002(a)(1) of the Energy Act of 2020 (30 U.S.C. 1606(a)(1)).

(2) CONVERSION.—The term “conversion” means the process to alter a refined or purified critical material to a secondary compound that is subject to supply chain disruptions relevant to the national, energy, and economic security of the United States, including the manufacturing of magnets, alloys, or multicomponent chemistries, including such chemistries at solid, liquid, or gaseous states.

(3) CRITICAL MATERIAL.—The term “critical material” has the meaning given such term in section 7002(a)(2) of the Energy Act of 2020 (30 U.S.C. 1606(a)(2)).

1 (4) CRITICAL MATERIAL SUPPLY CHAIN.—The
2 term “critical material supply chain” means the
3 lifecycle of a critical material, including the extrac-
4 tion, processing or refining, conversion, and recy-
5 cling of a critical material.

6 (5) FOREIGN COUNTRY OF CONCERN.—The
7 term “foreign country of concern” has the meaning
8 given such term in section 9901 of the William M.
9 (Mac) Thornberry National Defense Authorization
10 Act for Fiscal Year 2021 (15 U.S.C. 4651).

11 (6) FOREIGN ENTITY OF CONCERN.—The term
12 “foreign entity of concern” has the meaning given
13 such term in section 9901 of the William M. (Mac)
14 Thornberry National Defense Authorization Act for
15 Fiscal Year 2021 (15 U.S.C. 4651).

16 (7) QUALIFIED SUBSTITUTE.—The term “quali-
17 fied substitute” means any verifiable alternative to a
18 critical material, including converted critical material
19 compounds, able to carry out an essential function
20 (as such term is used in section 7002(a)(2)(ii) of the
21 Energy Act of 2020 (30 U.S.C. 1606(a)(2)(ii))) of
22 a critical material.

23 (8) RECYCLING.—The term “recycling” means
24 the process of collecting and processing spent mate-
25 rials and devices and turning the materials and de-

1 vices into raw materials or components that can be
2 reused either partially or completely.

3 (9) REFINED OR PURIFIED CRITICAL MATE-
4 RIAL.—The term “refined or purified critical mate-
5 rial” means a critical material that has undergone
6 any relevant manufacturing process to remove impu-
7 rities and to meet industry standards of purity or
8 concentration for downstream use cases post-extrac-
9 tion or recycling.

10 (10) TECHNICAL STANDARD.—The term “tech-
11 nical standard” has the meaning given such term in
12 section 12(d)(5) of the National Technology Trans-
13 fer and Advancement Act of 1995 (15 U.S.C. 272
14 note).

