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Biden-Harris Administration Announces Nearly \$2 Billion to Support American Auto Workers, Convert Facilities for Electric Vehicles

Funding from President Biden's Investing in America Agenda Will Retool or Retrofit 11 Existing Motor Vehicle Manufacturing Facilities to Support EV Manufacturing, Retaining and Creating Thousands of Good-Paying Union Jobs

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Funding from President Biden's Investing in America Agenda Will Retool or Retrofit 11 Existing Motor Vehicle Manufacturing Facilities to Support EV Manufacturing, Retaining and Creating Thousands of Good-Paying Union Jobs LANSING, MI — As part of President Biden's Investing in America agenda, the U.S. Department of Energy (DOE) today announced \$1.7 billion to support the conversion of 11 shuttered or at-risk auto manufacturing and assembly facilities across eight states—Michigan, Ohio, Pennsylvania, Georgia, Illinois, Indiana, Maryland, and Virginia—to manufacture electric vehicles and their supply chain. This announcement reflects President Biden's deep commitment to reinvest and revitalize – and never give up on – the manufacturing communities and the workers who have helped build America's middle class. These investments will create and retain thousands of good-paying union jobs and support the American auto communities that have driven the U.S. economy for generations. They deliver on the President's commitment to ensure the future of the auto industry is made in America by American union workers, and that the U.S. wins the competition for the 21st century.

"There is nothing harder to a manufacturing community than to lose jobs to foreign competition and a changing industry," said **U.S. Secretary of Energy Jennifer M. Granholm.** "Even as our competitors invest heavily in electric vehicles, these grants ensure that our automotive industry stays competitive—and does it in the communities and with the workforce that have supported the auto industry for generations."

"President Biden set out to build a clean energy economy that benefits everyone," said **John Podesta**, **Senior Advisor to the President for International Climate Policy**. "Today's awards from the Department of Energy help bring that vision to life by investing in the future of the auto industry, creating thousands of good-paying union jobs, and tackling the existential threat of climate change by cutting pollution from the transportation sector."

"Today's announcement from the Department of Energy is a big win for the American people and demonstrates President Biden's bold vision for how we are choosing to take on the climate crisis: with America's workers leading the way," said **Assistant to the President and National Climate Advisor Ali Zaidi.** "This ground-breaking program is central to catalyzing expansion of the industrial capacity to help us meet the President's climate goals and allow tens of thousands of skilled American workers to participate in the great comeback story of American manufacturing."

The <u>Domestic Manufacturing Auto Conversion Grants program</u> helps ensure that the U.S. continues to lead the world in auto manufacturing, led by the communities and workers who know this business best. The selectees will

negotiate for awards to enable them to manufacture products covering a broad range of the automotive supply chain, including parts for electric motorcycles and school buses, hybrid powertrains, heavy-duty commercial truck batteries, and electric SUVs. Today's announcement complements the \$177 billion in private sector investment in EV and battery manufacturing spurred to date by the President's Investing in America agenda. This program also supports the Biden-Harris Administration's efforts to strengthen domestic supply chains, support American workers, and bolster America's global leadership in manufacturing.

The award selections are subject to negotiations to ensure that commitments to workers and communities are met. DOE will also complete environmental reviews to ensure that the awards are consistent with the Administration's commitments to clean, environmentally responsible manufacturing, and include appropriate mitigation as needed. If awarded, the selected projects would collectively create over 2,900 new high-quality jobs and help ensure over 15,000 highly skilled union workers are retained across all eleven facilities.

Project descriptions and a full list of selections can be found <u>here</u>.

The Domestic Auto Manufacturing Conversion Grants program, funded by the Inflation Reduction Act, invests in the domestic production of efficient hybrid, plug-in electric hybrid, plug-in electric drive, and hydrogen fuel cell electric vehicles. This program aims to expand manufacturing of light-, medium-, and heavy-duty electrified vehicles and components and support commercial facilities including those for vehicle assembly, component assembly, and related vehicle part manufacturing.

This program also advances President Biden's Justice40 Initiative , which sets the goal that 40 percent of the overall benefits of certain federal investments in climate, clean energy, clean transportation, and other areas flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution. Projects selected for this funding will create high-quality jobs in the disadvantaged communities that are receiving investments. All selectees plan to support these legacy autoworkers by partnering with local unions. Selected projects will provide support for workers including job and technical training, childcare, retirement benefits, and transportation benefits. The program works with and encourages awardees to engage and collaborate with adjacent disadvantaged communities on education, health, climate, and clean energy.

Selection for award negotiations is not a commitment by DOE to issue an award or provide funding. Before funding is issued, DOE and the applicants will undergo a negotiation process, and DOE may cancel negotiations and rescind the selection for any reason during that time.

The funding for the Domestic Auto Manufacturing Conversion Grants will be administered by DOE's Office of Manufacturing and Energy Supply Chains (MESC). Learn more about the MESC mission to catalyze investments in America's energy future in support of the re-shoring, skilling, and scaling of U.S. manufacturing across energy supply chains.

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