



# U.S. Regulatory and Policy Outlook

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ESSENTIAL ENERGY EVERYDAY

# BCI - Serving the Industry Since 1924

Members are engaged in **all battery chemistries** (lead, flow, lithium, sodium, etc.) and include **manufacturers, recyclers, suppliers, distributors, retail, marketers, and consultants**. A focus on low-voltage vehicle; industrial; motive-power; ESS; UPS.

**130+ Members**

**\$33 billion+**  
**member footprint**

## Enduring Legacy of Manufacturing

Members operating since 1800s

206+ GWh of North American  
Manufacturing Capacity (2021)

## BCI Convention:

Held every year since 1924 except for  
World War II and COVID

## SourceBCI & BCI DataBook:

Identifies the SLI battery for every  
mass-market vehicle since 1934



# Key Policy Areas Affecting the Battery Industry

## 2023

- **Federal Environmental Regulations (EPA)**
  - Strategy to Reduce Lead Exposures and Disparities in U.S. Communities
  - National Emissions Standards for Hazardous Air Pollutants (NESHAP)
  - New Source Performance Standards (NSPS)
  - National Ambient Air Quality Standard (NAAQS)
  - Toxic Substances Control Act (TSCA)
  - Superfund Soil Screening Levels
- **Federal and State OSHA**
  - Lead Regulations (1910.1025)
  - Heat Stress (injury and illness)
  - State OSHA programs
    - California
    - Washington
- **Policy Focus Areas**
  - Energy Storage Policy and Research
  - Inflation Reduction Act (IRA)
  - Bipartisan Infrastructure Act
  - Environmental Justice

## 2025

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  - National Emissions Standards for Hazardous Air Pollutants (NESHAP)
  - National Ambient Air Quality Standard (NAAQS)
  - Toxic Substances Control Act (TSCA)
- **Federal and State OSHA**
  - Lead Regulations (1910.1025)
  - Heat Stress (injury and illness)
  - State OSHA programs
    - Minnesota
    - Oregon
    - Washington
- **Policy Focus Areas**
  - Supply chain / critical minerals
  - Aggressive tariff strategies / reshoring initiatives
  - Regulatory rollbacks
  - Targeted incentives
  - All Battery EPR, labeling, recycling best practices

# BCI Advocacy Priorities for 2025



## Reduce Tax Penalties

Advocate for passage of the USA Batteries Act to eliminate punitive taxes placed on domestic lead battery manufacturers.



## Section 45X Tax Credits

Advocate to preserve the critical tax credits for U.S.-produced batteries and battery components to support expanding domestic production.



## Support for R&D

Advocate for strong federal support for key battery energy storage research programs and for partnerships with the National Laboratories.



## End of Life Responsibility

Continued engagement on state and federal efforts to force unworkable EPR models onto battery manufacturers and instead build on the success of the BCI Model Law.



## Secure Supply Chains

Protecting and growing secure supply chains through recycling, engagement with reliable and responsible trading partners, and sound trade policies.



## Rational EHS Regulation

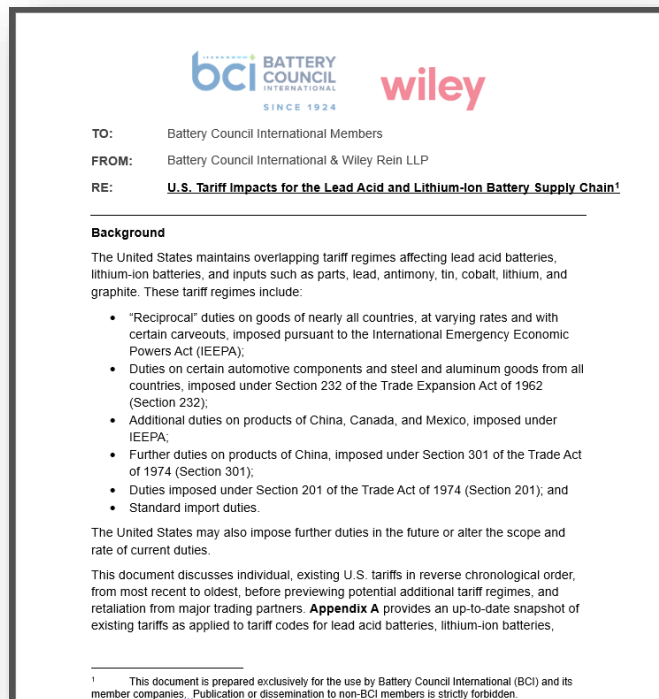
Advocate for sound policies to promote strong EHS performance through practices that are cost-effective, efficient, and based on real-world data.



An aerial photograph of a city. In the foreground, there is a dense forest of green trees. Below the trees, several buildings are visible, including one with a flat roof covered in solar panels. In the background, a city skyline with various skyscrapers is visible under a blue sky with white clouds. A semi-transparent blue gradient is applied to the left side of the image, where the text is located.

# U.S. Policy Action

# Trump Administration Policy Focus Areas



## Aggressive tariff strategies

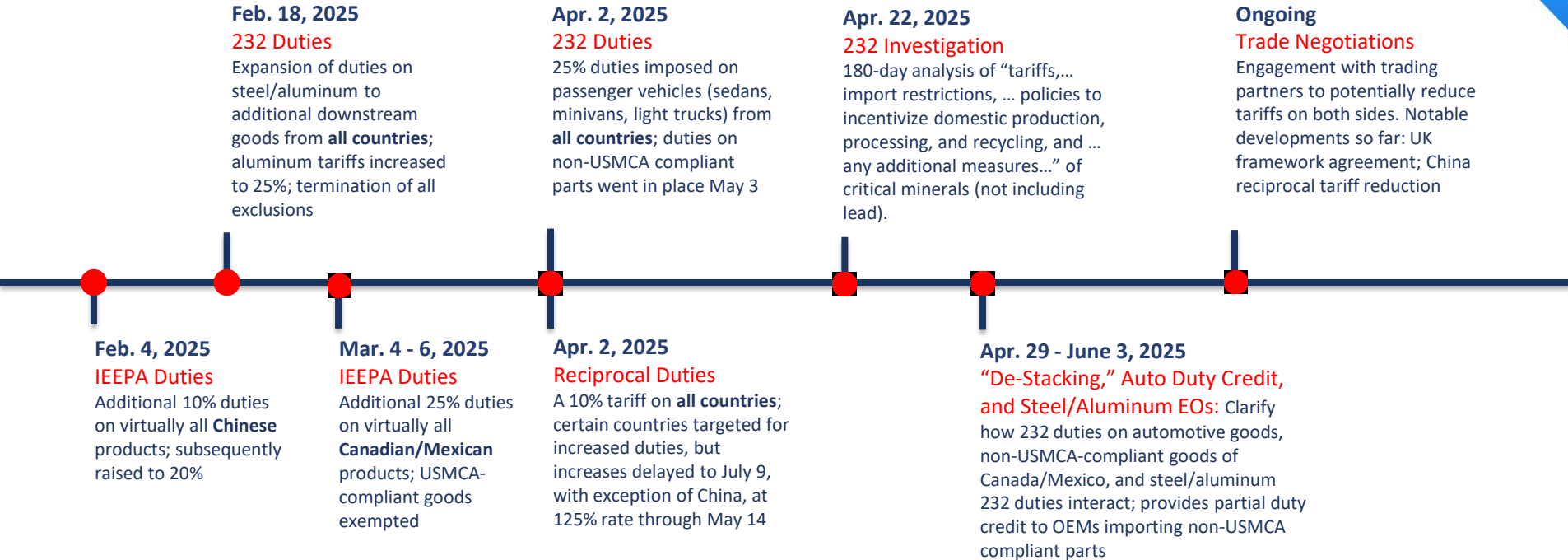
- BCI providing members with weekly "tariff backgrounder memo"

## Reshoring initiatives

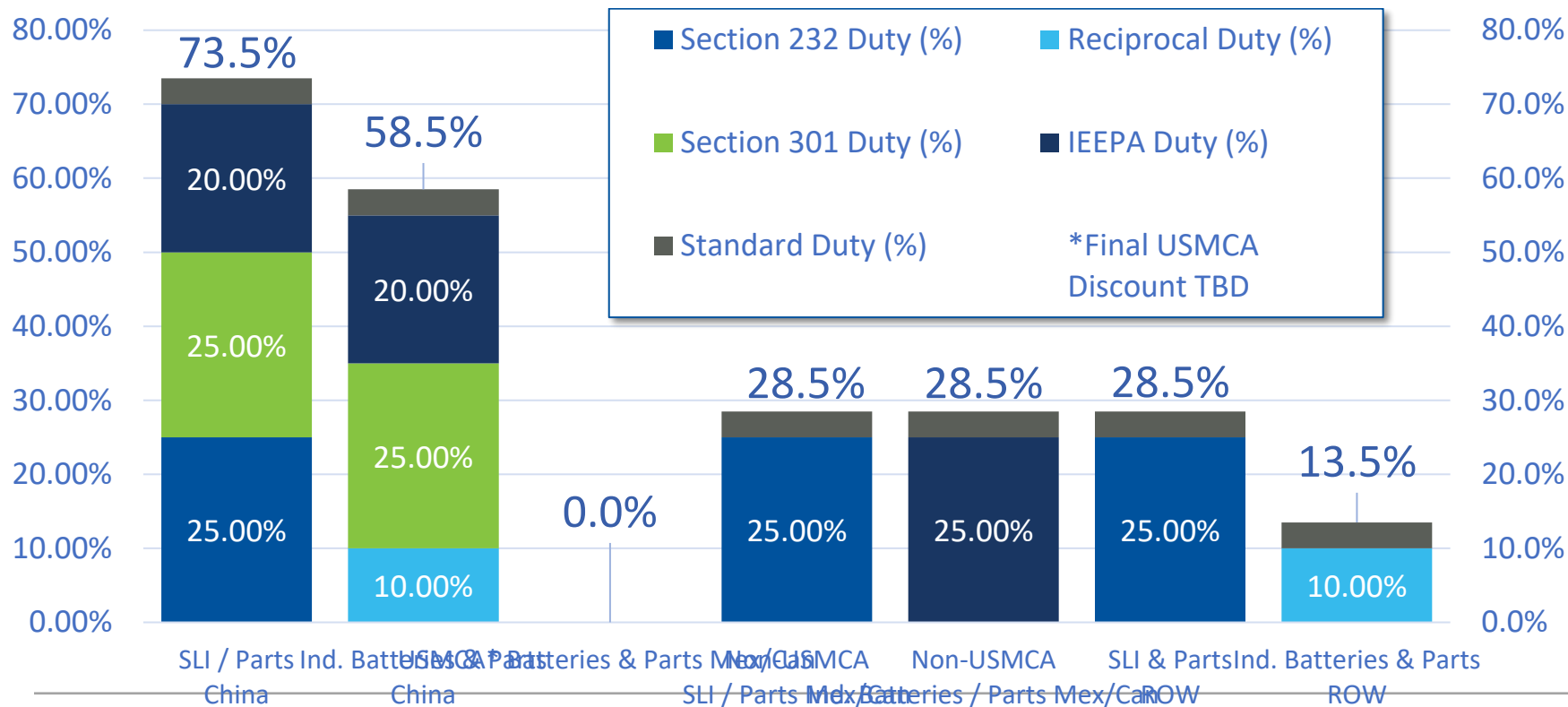
## Regulatory rollbacks

## Targeted incentives

# Tariffs Developments in 2025



# Current Tariffs: Lead Batteries and Parts

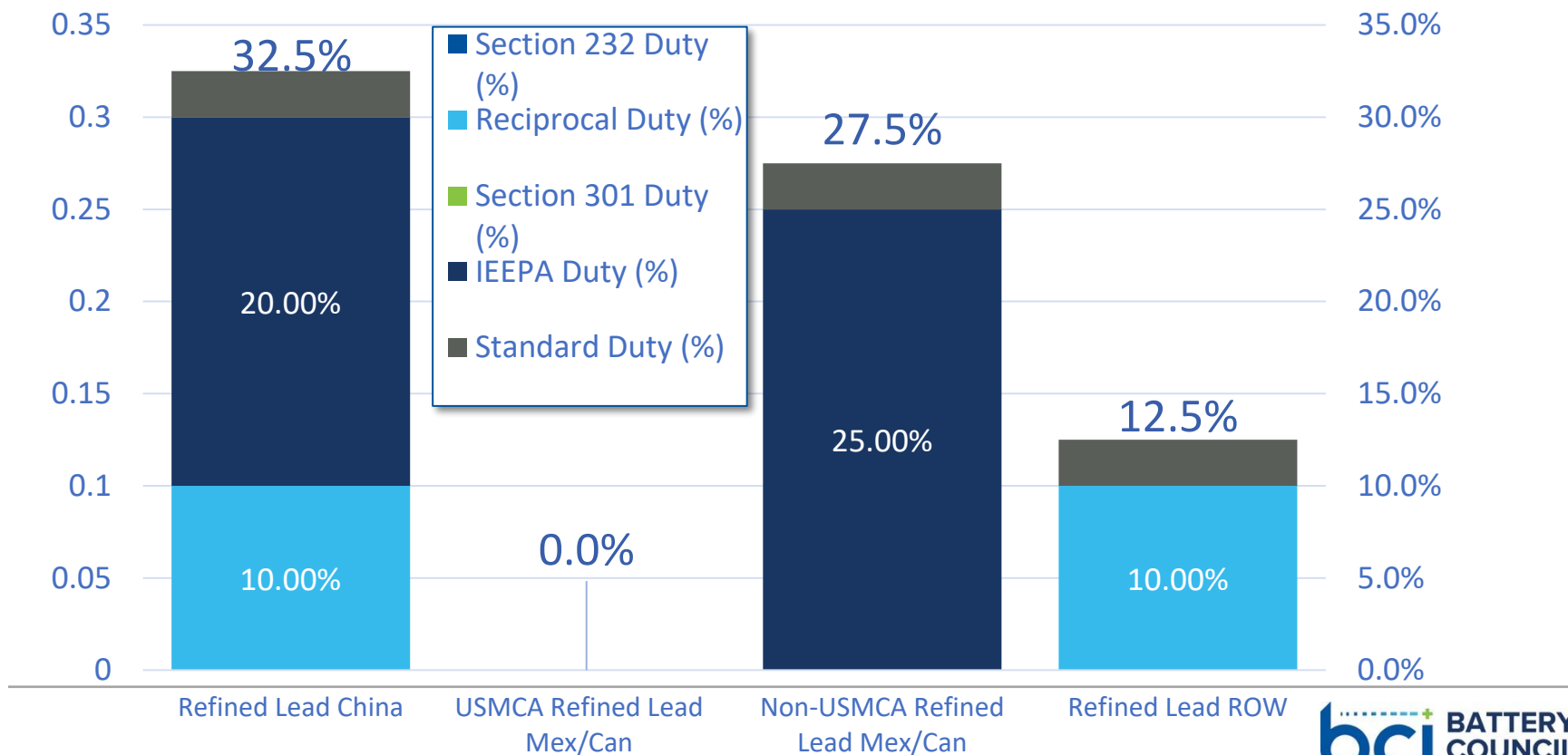




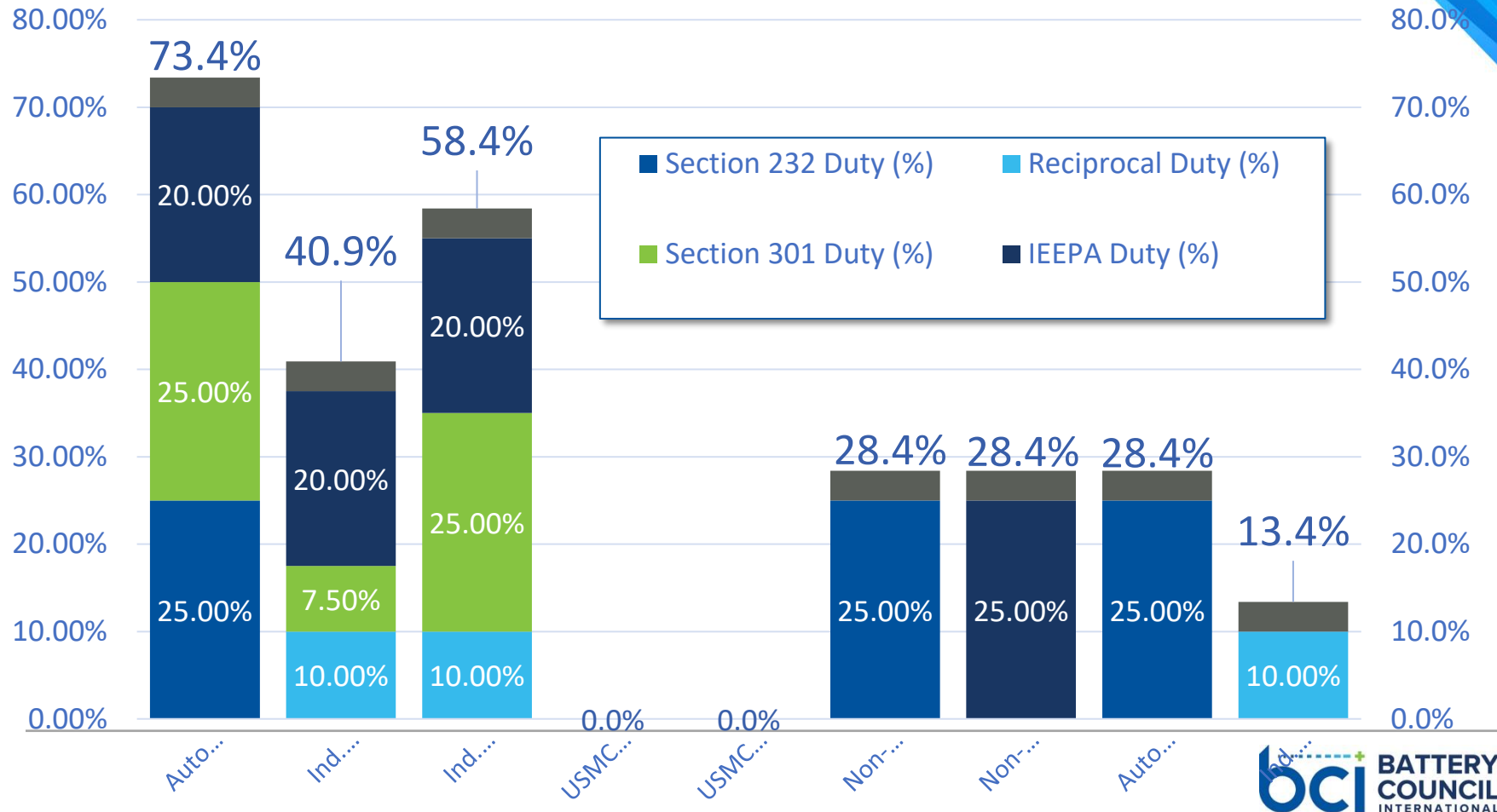
# Canada and Mexico: Strategic Advantages

- **All products of Mexico and Canada are free from reciprocal tariffs**
- **USMCA-compliant products of Canada and Mexico are free from**
  - 25% IEEPA duties
  - 25% 232 duties on automotive parts
  - Most Favored Nation duties
- **Section 232 duties on steel/aluminum continue to apply to USMCA-compliant goods, but tariff code coverage of these duties is limited**
- **Lead-acid batteries qualify as USMCA-originating if**
  - Made with North American components,
  - Non-North American parts fall outside tariff heading 8507 or
  - Have regional value content of 60-75% (transaction value) or 50-65% (net cost)

## Current Tariffs: Refined Lead



# Current Tariffs: Li-Ion Batteries/Parts



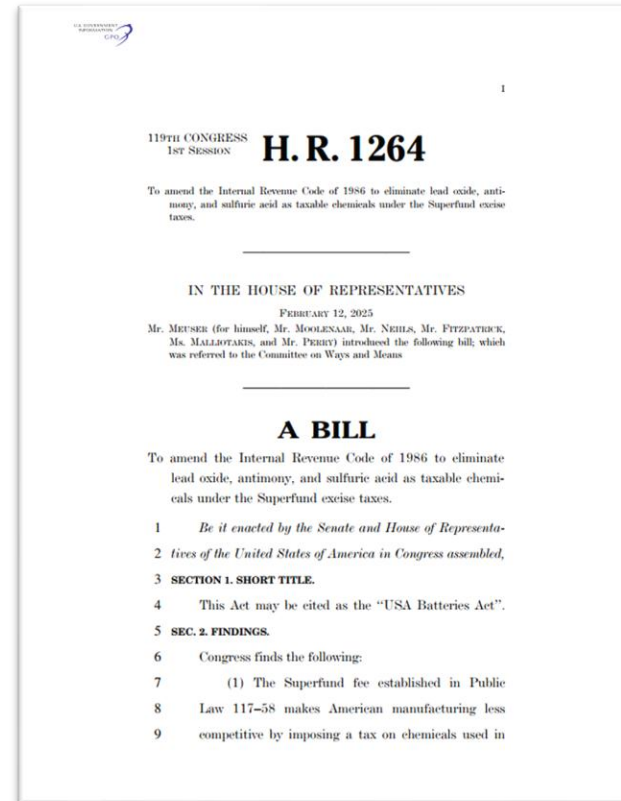
# Advanced Manufacturing Production Tax Credits (Section 45X)

- Already stimulating significant changes and growth
  - BCI members have announced major capacity expansions leveraging credits
  - Rewards leveraging / upgrading existing manufacturing assets through 2033
- Trump's "One Big Beautiful Bill Act": 45X Preserved, but Reduced
  - Currently still under negotiation between Senate and House of Representatives

Tax Credit	Claimant	Description
<b>Advanced Manufacturing Production Credit (45X)</b>	Manufacturer operating in the United States	<b>10%</b> for electrode active materials <b>10%</b> for critical mineral production <b>\$35/kWh</b> for battery cells <b>\$10/kWh</b> for battery modules (or <b>\$45/kWh</b> for modules without cells)

# USA Batteries Act (H.R. 1264)

- Initially introduced in 2023
- Would repeal the Superfund chemical tax implemented in the IJA, which affects substances used in battery manufacturing.
- Lead oxide, antimony, and sulfuric acid
- Superfund taxes on impacts domestic battery manufacturing, but not imported competition





An aerial photograph of a city. In the foreground, there is a dense forest of green trees. Below the trees, several buildings are visible, including one with a flat roof covered in solar panels. In the background, a city skyline with various skyscrapers is visible under a blue sky with white clouds. A semi-transparent blue rectangle is overlaid on the left side of the image, containing the text 'U.S. Regulatory Action' in white.

# U.S. Regulatory Action

# Many regulatory efforts continuing ... and ending...

## OSHA Standards for Workplace Heat

- Federal Rulemaking continues, for now
- Multiple state efforts

## Lead NAAQS

- Sets area air limits that then drive permit limits and conditions EPA finished the Integrated Science Assessment
- Final Decision previously expected in 2026

## TSCA Review of Pb (TBD)

- ABR, BCI, ILA engaged consultant to conduct gap analysis

## U.S. Environmental Protection Agency

- Battery Manufacturing NESHAP Litigation
- NGO's sued over fence-line monitoring, currently remanded for re-review of key elements

## DOE's Battery Charger Standard

- Proposed rule was formally withdrawn January 17, 2025
- Trump Administration proposing major changes to the entire energy efficiency program

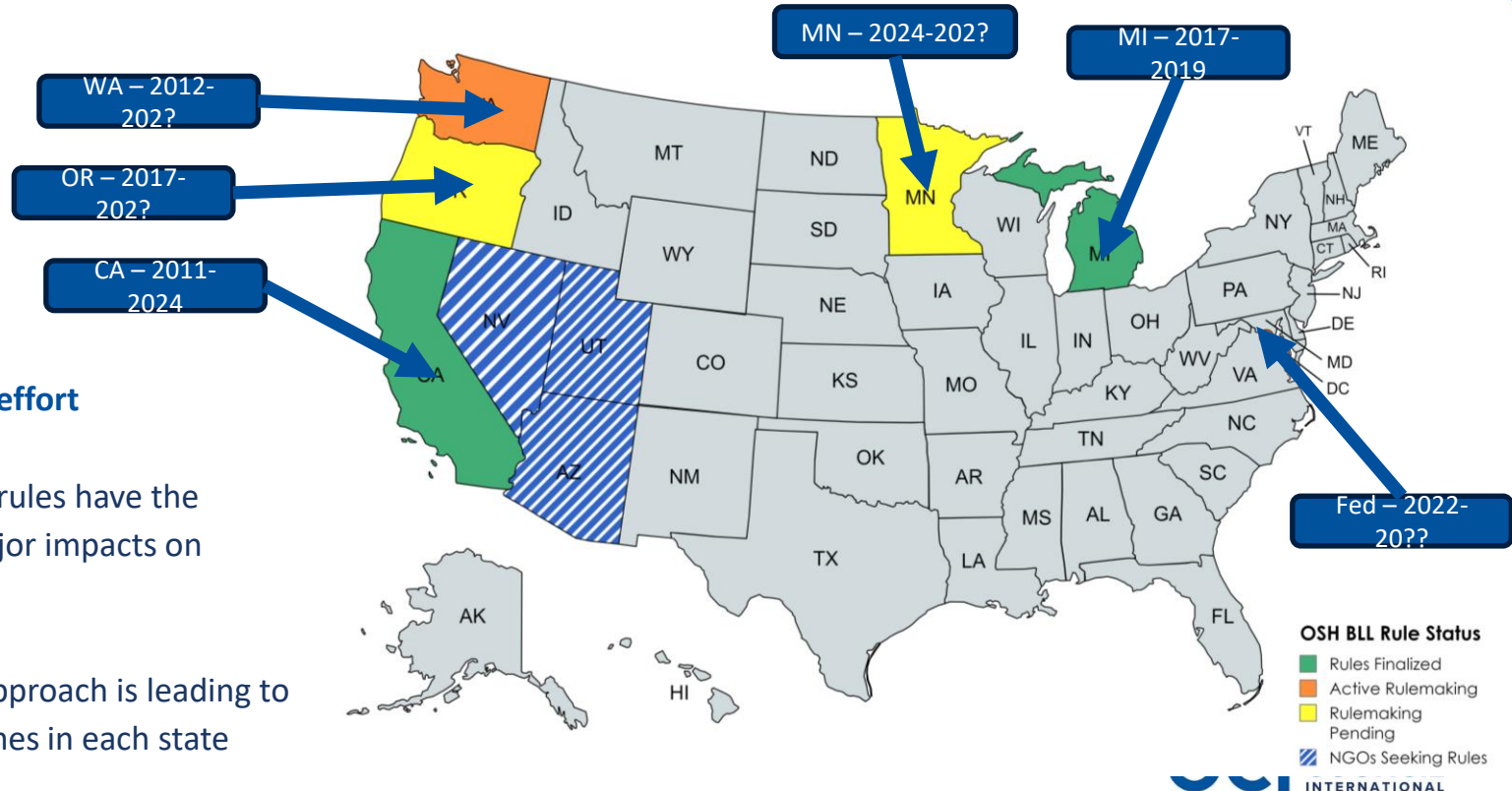
## 10-for-1 Deregulatory Agenda

# Federal & State OSHA Activity

## A multi-decade effort

Workplace lead rules have the potential for major impacts on operations

State-by-state approach is leading to different outcomes in each state





# Key OSHA Programs to Watch

## Federal OSHA

**Federal Lead Standard: Under review since 2016**

**Formal Process started in 2022 with ANPRM**

- Looking at “most aspects of the standard”

**OSHA Priorities still not clear under Trump DOL**

- RFK eliminated NIOSH lead programs

**BCI fully engaged – long term, this rulemaking will move forward**

- Technical Feasibility Analysis
- Health science studies and other industry analyses
- Engagement with senior staff and advisors

## Oregon DOSH

**Proposed Rule now expected ~July 2025**

## Minnesota OSHA

**2024 legislation to lower BLLs in the state  
([SB4600](#) / [HF4713](#))**

## Washington DOSH

**Process started in ~2016**

- BCI present at all stakeholder meetings since

**Complete rewrite of the federal lead rule framework**

- Abandons all existing structures

# California OSHA – A new standard

Trigger	Threshold
Removal	20 µg/dL (2025) 30 µg/dL (2024)
Return to Work	15 µg/dL (2024)
PEL	10 µg/m <sup>3</sup> (2024)
Action Level	2 µg/m <sup>3</sup> (2024) <small>&gt;10 days / year</small> <small>"Presumed Hazardous" Tasks</small>
PEL Exception	SECAL 40 µg/m <sup>3</sup> (2029) 30 µg/m <sup>3</sup> (2029)

- **Final Rule adopted February 15, 2023**
  - Took effect January 1, 2025
- **BCI and ABR successfully negotiated Separate Engineering Control Air Limits (SECALs)**
- **New Standard sweeps in several additional industries**
- **BCI filed extensive comments**
  - ILA and ABR filed as well
  - BCI and coalition with 10+ industries filed
    - BCI-led coalition filed letters in Nov. 2022 and April 2023
    - Pushing for rational phase-in schedule and other non-substantive/technical issues



# Member Involvement is Key

 **BCI Members are key to shaping our positions and making our efforts successful**

 **Engage in a relevant committee!**

 Environmental Health and Safety

 Government Relations

 Communications

 Sustainability

 Just email [info@batteryCouncil.org](mailto:info@batteryCouncil.org) to join.

# *Thank you!*



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