

May 16, 2022

Via Email

U.S. House of Representatives Washington, D.C. 20510

RE: United Steelworkers supports maintaining the integrity of the Anti-Dumping/Countervailing Duties (AD/CVD) enforcement process.

Dear Representative:

The United Steelworkers would like to highlight the importance of maintaining the integrity of the AD/CVD enforcement process, particularly related to circumvention cases. We understand that there is a letter circulating that seeks to exert pressure on the quasi-judicial AD/CVD investigation process on a solar case. **USW does not support this letter and encourages Members to not co-sign.**

United Steelworkers members have been strong supporters of U.S. trade enforcement laws, and our members have benefited from 187 individual orders against illegally dumped or subsidized products.

- These investigations require years of data, significant research, and must go through a quasi-judicial process.
- Our union and the firms our members work at have spent millions of dollars in a WTO-compliant process to address the damage caused by dumped and subsidized imports.
- These dumped and subsidized imports hurt American workers, resulting in lost hours, reduced benefits and wages, and ultimately, jobs. USW members have been victims of illegal trade in 1 in 4 of all trade orders in place today.
- The loss of a good-paying, union manufacturing job is devastating for any of our members, their families, and the community where they live. Recent research by the Economic Policy Institute has found these impacts are even



more acutely felt by many of our Black, Indigenous, and people of color (BIPOC) members.1

The union is concerned that some industry associations representing the installation segment are distorting how this process works, and conflating a number of solar supply chain dynamics to confuse the issue. They are choosing to ignore anticompetitive behavior for short-term gains that will undermine long term manufacturing strategies and efforts to build a durable coalition in support of climate change action. A recent American Prospect article examines some of the misinformation that is involved in this campaign.²

The solar installation industry has benefited from over \$17 billion in federal tax expenditures between 2015-2020 on top of state and local support, with expectations that this figure will climb considerably to \$34.9 billion in the 5-year period to 2024.³ These tax dollars should be going toward supporting good jobs and less carbonintensive solar technology production here at home. Suppliers that rely on dirtier overseas factories with low or nonexistent labor and health and safety standards, and are surrounded by allegations of using forced labor, should not be rewarded.4

Ultimately, providing tax support to firms who choose to procure goods from supply chains that foster market concentration in the People's Republic of China is a recipe for future supply chain disruptions, and undermines domestic support for investments in solar deployment.

Our union strongly believes that the AD/CVD investigative process should be defended, and political interference should not be allowed to influence the outcome of a case. It is irresponsible and threatens every industry and worker who relies on AD/CVD laws to help level the playing field. Additionally, our climate goals will not be solved by imports from countries that do not take the health of our shared environment seriously, and even stand accused of using forced labor to make their products. We all share the goal of creating an equitable and innovative domestic supply chain to help power a clean energy future, but undermining the independent AD/CVD process will only send us in the wrong direction.

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union

¹ Economic Policy Institute, "Botched policy responses to globalization have decimated manufacturing employment with often overlooked costs for Black, Brown, and other workers of color," January 31, 2022 ² The American Prospect, "Trade Group Driving Solar Controversy Includes Slave-Labor Companies," May 12, 2022

³ Congressional Research Service, "The Energy Credit or Energy Investment Tax Credit (ITC)," Updated April 23, 2021

⁴ New York Times, "Chinese Solar Companies Tied to Use of Forced Labor," January 8, 2021

Please contact Megan Salrin (<u>msalrin@usw.org</u>) if you have any questions.

Sincerely,

Roy Houseman Legislative Director