ONE HUNDRED SEVENTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE 2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115

> Majority (202) 225-2927 Minority (202) 225-3641

> > July 1, 2021

Mr. Josh Nassar Legislative Director The International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW) 1757 N Street NW Washington, DC 20036

Dear Mr. Nassar:

Thank you for appearing before the Subcommittee on Energy on Wednesday, May 5, 2021, at the hearing entitled "The CLEAN Future Act: Driving Decarbonization of the Transportation Sector." I appreciate the time and effort you gave as a witness before the Committee on Energy and Commerce.

Pursuant to Rule 3 of the Committee on Energy and Commerce, members are permitted to submit additional questions to the witnesses for their responses, which will be included in the hearing record. Attached are questions directed to you from a member of the Committee. In preparing your answers to these questions, please address your response to the member who has submitted the questions in the space provided.

To facilitate the printing of the hearing record, please submit your responses to these questions no later than the close of business on Friday, July 16, 2021. As previously noted, this transmittal letter and your responses, as well as the responses from the other witnesses appearing at the hearing, will all be included in the hearing record. Your written responses should be transmitted by e-mail in the Word document provided to Lino Peña-Martinez, Policy Analyst, at Lino.pena-martinez@mail.house.gov. To help in maintaining the proper format for hearing records, please use the document provided to complete your responses.

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Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Lino Peña-Martinez with the Committee staff at (202) 225-2927.

Sincerely,

Frank Pallone, Jr.

Chairman

Attachment

The Honorable Cathy McMorris Rodgers cc: Ranking Member Committee on Energy and Commerce

> The Honorable Bobby L. Rush Chairman Subcommittee on Energy

The Honorable Fred Upton Ranking Member Subcommittee on Energy

Attachment—Additional Questions for the Record

Subcommittee on Energy Hearing on "The CLEAN Future Act: Driving Decarbonization of the Transportation Sector." May 5, 2021

Mr. Josh Nassar, Legislative Director, The International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW)

The Honorable Kathy Castor (D-FL)

1. Mr. Nassar, the recently released 2035 Transportation Report from UC Berkeley finds that there are "no insurmountable barriers" to significant scale-up of EV supply chains. How can Federal policy strengthen supply chains and support American workers?

RESPONSE:

Thank you for the question. We need a comprehensive, whole of government approach to our supply chain problems. Centering the needs of American workers and seeing them as foundational for growing manufacturing will be critical to strengthening our supply chains. In addition to increasing supply chain transparency, Congress and the Biden Administration should invest in workers' training, support good wages and benefits, and defend workers' rights to organize and collectively bargain. Investing in making these products domestically with good American jobs will help strengthen our supply chains.

An example of such policy is an amendment introduced by Sen. Debbie Stabenow (D-MI) to the Clean Energy for America Act (S.2118), which would continue a \$7,500 consumer credit for electric vehicles but add for the next five years a \$2,500 bonus for autos assembled in the United States and another \$2,500 for meeting certain worker focused labor standards. The \$12,500 rebates would apply as a rebate on tax returns. After five years a vehicle must be assembled in the U.S. for consumers to be eligible to receive a \$10,000 base credit and an additional \$2,500 bonus credit for vehicles that are union made or apply worker focused labor standards. This is a positive step forward and if passed into law, will strengthen our supply chains and support American workers.

2. Mr. Nassar, President Biden says that when he thinks about solving the climate crisis, he thinks about jobs. That's how Democrats in Congress view it too, especially as we work toward a pollution-free transportation sector. How can we ensure that our Federal investments support good, union jobs with high labor standards, located right here in America?

RESPONSE:

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Thank you for the question. We believe Congress must pursue a win-win strategy that is good for both workers and our environment. In our view, corporations that receive taxpayer dollars must be required to use those dollars to manufacture in the United States. Corporations must also be held accountable to the workers they rely on. This means they should be required to maintain high labor standards, which includes respecting workers' right to join a union. Congress needs to make significant investments if we are to be a leader in building the cars and trucks of the future and those investments need to be made in the United States in support of good union jobs.

We need a strong industrial policy focused on education, workforce training, research and development, support for advanced manufacturing and technologies, and creating penalties for companies that turn their back on American workers.

Lastly, Congress must advance equitable tax policies that uplift working families instead of incentivizing businesses to outsource jobs overseas. For example, the 2017 Tax Cuts and Jobs Act (TCJA) encouraged the outsourcing of U.S. manufacturing jobs. Because of this law, multinational corporations pay at most only half that rate on their offshore profits as they do on their earnings here at home, creating an incentive to ship jobs overseas. The UAW urges Congress to eliminate anti-worker offshoring incentives by setting a minimum tax on the foreign profits of multinationals equal to the statutory corporate tax rate on domestic profits.