

**Attachment—Additional Questions for the Record**

**Subcommittee on Environment and Climate Change and Subcommittee on Energy  
Joint Hearing on  
“Securing America’s Future: Supply Chain Solutions for a Clean Energy Economy”  
November 16, 2021**

Ms. Roxanne Brown, International Vice President at Large, United Steelworkers

**The Honorable Diana DeGette (D-CO)**

The Solar Energy Industries Association (SEIA) has developed a Supply Chain Traceability Protocol under which suppliers:

1. Identify the source of a product’s material inputs,
2. Trace the movement of these inputs throughout the supply chain, and
3. Submit to a third-party audit of this information.

U.S. Customs and Border Protection (CBP) has reportedly adopted elements of this Protocol in its review of imported products and materials.

If you are familiar with either the SEIA Protocol or CBP actions, please respond with regard to them. If not, please respond regarding the general concepts mentioned here.

1. What do you think of requiring importers of products, for example, solar modules, to identify the sources of their products' material inputs?

**RESPONSE: The USW has long supported better traceability in supply chains for labor, environmental, and consumer protections. Requiring importers of products to identify the sources of their products’ material inputs will improve consumer awareness of products and allow regulators to meet a nation’s economic, humanitarian, and security goals.**

**Recent work by the Government of Canada to improve tracing in the steel industry supply chain has been reviewed in the Organization of Economic Cooperation and Development (OECD) has shown that recent advances in data can improve data collection of products material inputs.<sup>1</sup>**

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<sup>1</sup> [OECD](#)

2. What do you think of requiring importers to trace the movement of these inputs throughout the supply chain?

**RESPONSE:** The USW sees corporate responsibility as an important component in tracing movement of inputs throughout the supply chain, so long as it is easily accessible for government agencies as well. Important to preventing globally condemned forced labor tactics or consumer safety – improved tracing of inputs in supply chains should be as easy as a Google Search.

As an example, the Takata airbag scandal, which saw the largest recall in automotive history, occurred in part because of poor and inadequately kept records. This inability to properly trace products that were primarily sourced from a Mexican subsidiary forced the recall of over 50 million vehicles – costing lives and OEM’s significant resources.

3. What do you think of submitting this kind of information to a third-party audit by a private entity?

**RESPONSE:** The ability of firms to audit their supply chains through third-party audits has had mixed results and has yet to stamp out forced labor and other abuses of labor & environmental laws by major corporations.

For example, in 2019 the Clean Clothes Campaign, which is the garment industries largest alliance of labor unions and non-governmental organizations, issued a report called “Fig Leaf for Fashion”, which highlighted how voluntary and unilaterally defined system of corporate social responsibility (CSR) policies do not provide transparency or remediate worker violations in apparel supply chains.<sup>2</sup>

4. What do you think of submitting this kind of information to CBP?

**RESPONSE:** The ability to hold firms accountable for their global supply chains requires a strong government position to defend American workers and consumers from labor and environmental abuses in the supply chain. Requiring this data collection at CBP could be one avenue to reaching that goal.

It is also helpful to think about data currently submitted by firms to the federal government. For example, respondents in anti-dumping and countervailing duty investigations receive significant questionnaires from the Department of Commerce, which allows the agency to calculate dumping and countervailing duty margins. This data includes information on inputs, energy prices, alleged subsidies, sale prices, etc.

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<sup>2</sup> [Clean Clothes](#)

**The Department of Commerce also regularly instructs CBP to collect duties on firms that try and circumvent existing anti-dumping and countervailing duty orders. This requires a level of traceability that the federal government can, and should, aspire to for all products – particularly for firms that choose to operate in locations with low labor, human rights, and environmental regulation.**

5. Do you think the tracking and disclosure of this kind of information can be done credibly without subjecting it to review by CBP for compliance?

**RESPONSE: As indicated above in the previous question, CBP may not necessarily be the agency for this sort of tracking and disclosure work. The Department of Commerce also does significant research on imports of goods and this agency may actually be better situated to analyze data for tracking and disclosure of supply chains.**

**However, the union is severely skeptical of tracking and disclosure of this kind of information without subjecting the information for federal review.**

6. Are there other measures you would suggest for identifying the sources of the materials and components used to manufacture imports or for otherwise inhibiting or preventing the production and manufacture of materials and products from entities or regions that do not uphold the same high labor and environmental standards as the United States?

**RESPONSE: The USW supported the renegotiated NAFTA deal – USMCA – in part because the trade agreement incorporated a Rapid Response Mechanism, which creates a process at a firm level to remedy labor violations in Mexico. Also, failure to find a remedy could lead to significant penalty.**

### **The Honorable Kathy Castor (D-FL)**

1. We often think about jobs installing wind and solar as the climate jobs of the future, but the fact is there are so many more jobs that are climate jobs. The jobs created by investing in the robust domestic supply chains for the clean energy materials and technologies will employ Americans across the country.

How can we work with labor unions to ensure that Americans are trained and ready for these new climate jobs in domestic clean energy supply chains and a circular economy?

**RESPONSE: I agree that manufacturing jobs in the clean energy supply chain are also climate jobs of the future and the present. Manufacturing unions and manufacturing workers are eager to work with Congress on making sure that we**

**can make the materials and products for clean energy here in the United States. There are four things that would be immediately helpful:**

- 1. Work with new and existing companies and unions to identify and fund opportunities to retrofit, retool, and serve new markets.**
  - 2. Ensure that manufacturers have long-term markets for products by supporting domestic content standards for clean energy.**
  - 3. Ensure that existing workers and prospective workers are properly trained by expanding vocational education and incentivizing labor-management training programs.**
  - 4. Ensure that clean energy jobs are good jobs by passing the PRO Act to modernize our labor laws and ensure that all workers can join a union without fear of retaliation.**
2. In your testimony, you note the need for industrial policy to drive innovation and investment in manufacturing industries. An expanding clean energy industry in America is helping us tackle the climate crisis, but we need to make sure manufacturers have the tools they need to decarbonize their factories while they meet increasing demand. This past summer, I introduced the First Three Act that would drive transformative technology adoption in manufacturing industries to decouple our industrial processes from volatile fossil fuel prices and their carbon emissions.

Do you see a role for transformative federal investments in low- and zero-emission technologies in manufacturing industries like steel?

**RESPONSE: There is, without question, a role for transformative federal investments in decarbonizing the industrial sector with technologies like carbon capture, direct air capture, hydrogen, and more. These technologies are not currently widely available, so federal investment and partnership will be key to assisting U.S. industry in assessing, installing, and financing low- and zero-emission technologies. These types of investments will ensure that our domestic industry is globally competitive long-term as markets shift to demand more low-emission materials.**

3. Expanding domestic supply chains for clean energy technologies could mean an increase in good-paying, family sustaining jobs, like those in the Tampa Shipyard. Could you expand on what rapidly growing clean energy industries like offshore wind could mean for supply chain jobs all across America?

**RESPONSE:** If done right, offshore wind could mean economic benefits in communities across the country, not just at the coasts. There are, of course, the white collar, engineering, and construction jobs that are widely touted. However, there is so much potential in the supply chain to support this industry. For the turbines themselves, developers will need steel; cement; blades of carbon fiber; coatings and paints; bearings; cables; ladders; platforms; and more. On top of that, workers in the United States need to build the ships to install offshore wind projects. There are workers in communities across the country who can supply these materials.

- a. How do we ensure we will see the benefits we anticipate?

**RESPONSE:** There are several important actions that can be taken to ensure that these are good jobs:

1. Congress should use policy and funding levers to maximize domestic content to provide job certainty.
2. The federal government should assess supply chain gaps and opportunities, and communicate that information to unions and companies across the country. And companies should receive assistance, as needed, to help retool facilities to fill those supply chain gaps.
3. Incentivize and facilitate partnerships between unions and offshore wind developers and original equipment manufacturers (OEMs).
4. Ensure consistent enforcement of the Jones Act.
5. Pass the PRO Act.

### **The Honorable Dan Crenshaw (R-TX)**

1. According to the letter sent to me by the Communications Infrastructure Contractors Association, “the cost of steel for manufacturing communications towers is up sharply; the cost for 2” galvanized antenna pipe has soared by 80% in just the past year, and steel mounts that used to ship within 2-3 days are now taking 6-8 weeks to ship. Electrical wire prices were predictable one year ago, while today they are adjusted daily. Two-inch PVC pipe has gone from \$5.61 to \$24.26 each within one year and 4” PVC pipe has gone from \$14.37 to \$45.66 each within the past year. Concrete prices are up 30%.”

How have these increases in prices impacted employment by your members and their associated domestic manufacturing?

**RESPONSE: The COVID-19 pandemic has dramatically disrupted supply chains globally, including both the steel and plastics sectors. For example, steel prices have increased in the U.S., but they have also increased globally.<sup>3</sup>**

**This has created opportunities and challenges, but broadly manufacturing employment in the United States has increased by 349,000 jobs in 2021. Holding firms accountable to possible price gouging is possible, but would require congressional action to look into private company financials and to set it off a baseline of previous earnings. Given that corporate profits for S&P 500 companies rose 22 percent in the 4th quarter and nearly 50 percent in 2021 – the USW would encourage Congress to carefully consider all factors of increased pricing.**

2. Additionally, the letter goes on to state “delays in our ability to obtain trucks and other heavy equipment critical are unquestionably inhibiting work on communications infrastructure. Lead times for new crew trucks are out as far as 9-12 months, and surging prices will further harm our economic viability. The prices for used trucks (if they are even available) are up sharply as well.”

President Biden’s Build Back Better agenda includes funding for states to implement zero-emissions vehicles requirements, like the one done by CARB, in California. How have zero-emissions vehicles requirements contributed to the supply chain crisis that is currently happening?

**RESPONSE: The problems you describe are not linked to zero-emission vehicle requirements and are instead a supply chain problem for semiconductor chips. Automakers around the world are citing shortages in semiconductor chips necessary for building new vehicles. This has slowed assembly of vehicles and manufacturing of parts, causing increased prices and shortages of vehicles. The CHIPS Act, which passed last year as part of NDAA, is an important piece of legislation to ease this supply chain crisis; however, it must be funded. The Senate passed funding for the CHIPS Act in USICA, but the House has not yet acted.**

3. Later in the letter, it states “Certain heavy civil equipment, such as excavators and forklifts, also have long lead times, and prices are also outpacing inflation. Additionally, the availability of chipsets, necessary for wireless equipment, and other essential technological components, such as fiber optic cabling, have also been severely compromised.”

How is the Build Back Better agenda making it easier to site and permit the processes needed to create resins and steel in the United States?

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<sup>3</sup> [OECD](#) See: page 26

**RESPONSE: Our union represents U.S. workers at Corning in Wilmington, NC who make fiber optic cable, which is critical for the build out of broadband to rural areas and other technologies. These workers have immense opportunities to supply the materials needed for American infrastructure and the spending on broadband that Congress authorized in the Infrastructure Investment and Jobs Act. Unfortunately, the Build Back Better Act has not yet become law, so workers across the country cannot yet benefit from the investments in communities and workplaces, as outlined in the bill.**