July 26, 2017

The Honorable Greg Walden
2185 Rayburn House Office Building
Washington, DC 20515

The Honorable John Shimkus
2217 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone, Jr.
237 Cannon House Office Building
Washington, DC 20515

The Honorable Paul Tonko
2463 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Walden, Chairman Shimkus, Ranking Member Pallone, and Ranking Member Tonko,

We write to express our strong support for the continuation of the American Iron and Steel (AIS) procurement preference for the Drinking Water State Revolving Fund (DWSRF) included in H.R. 3387, the *Drinking Water System Improvement Act* (DWSIA), currently pending before the House Committee on Energy and Commerce.

Specifically, our organizations strongly support the inclusion in the DWSIA of language codifying the AIS preference to ensure that the iron and steel products that comprise the backbone of our taxpayer-funded drinking water infrastructure systems are made in the United States. Codification of this critical provision will provide additional certainty to U.S. manufacturers as they contemplate longer-term investments in communities and workers across the country – and will ensure that taxpayer dollars are reinvested here at home rather than overseas. Additionally, by requiring that the manufacture of these iron and steel products takes place domestically, the provision will ensure that their production conforms to the highest environmental and workplace safety standards in the world.

As you know, the same AIS policy has been applied to the DWSRF for many years through annual Congressional appropriations. Additionally, in 2014, the policy was codified for and permanently applied to the EPA-administered Clean Water State Revolving Fund (CWSRF) and Water Infrastructure Finance and Innovation Act (WIFIA) program. By requiring that all manufacturing processes occur domestically, the AIS policy encourages every critical stage of the

iron- and steel-making process to occur in the United States, thereby maximizing R&D, capital investment, and jobs in the United States. It also ensures that the benefits of the procurement preference are felt throughout the supply chain, including by suppliers of raw materials critical to steelmaking, such as iron ore, coal and limestone. The application of this standard to EPA water infrastructure projects has already resulted in real and immediate benefits for U.S. iron and steel producers, including an increase in production, jobs, and capital investment – just as Congress intended by enacting these provisions.

Codification of the AIS language in H.R. 3387 will simply bring the DWSRF in line with the nation's other principal federal-aid programs for water infrastructure, ensuring the biggest return for taxpayer dollars. Thank you for your efforts to include this important provision as you work to make much needed investments in the nation's drinking water infrastructure systems.

Sincerely,

Alliance for American Manufacturing (AAM)
American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
American Foundry Society (AFS)
American Institute of Steel Construction (AISC)
American Iron and Steel Institute (AISI)
American Line Pipe Producers Association (ALPPA)
Concrete Reinforcing Steel Institute (CRSI)
Iron Mining Association of Minnesota (IMA)
Iron Ore Alliance (IOA)
Municipal Castings Association (MCA)
Pennsylvania Steel Alliance (PSA)
Specialty Steel Industry of North America (SSINA)
Steel Manufacturers Association (SMA)
Transportation Trades Department, AFL-CIO (TTD)
United Steelworkers (USW)