

April 22, 2024

Via Email

The Honorable Michael Regan Administrator Environmental Protection Agency Washington, D.C. 20004

RE: United Steelworkers Supplemental Comments on Proposed General Applicability Public Interest Waiver of Section 70914(a) of P. L. 117-58, Build America, Buy America Act, 2021 for U.S. Environmental Protection Agency Financial Assistance Awards under the Clean Ports Program.

Dear Administrator Regan:

I write to you on behalf of the United Steelworkers (USW or Steelworkers). We are submitting supplemental comments – in addition to our comments submitted on April 15, – on the Environmental Protection Agency's (EPA) proposed public interest waiver for certain zero emission (battery electric and hydrogen fuel cells) mobile port equipment through the Clean Ports Program from the Build America, Buy America (BABA) requirements included in the Infrastructure Investment and Jobs Act (IIJA).

In our prior comments to EPA, we raised concerns over the potential for the People's Republic of China (PRC) to greatly benefit from the \$3 billion Clean Ports Program. Our submission concentrated on strategies to eliminate loopholes, limit the scope of the waiver, reduce its duration, and expand restrictions on equipment purchased from foreign countries of concern.

However, in a development crucial to EPA's pending waiver decision, on April 17, 2024, the United States Trade Representative (USTR) announced the initiation of a Section 301 Investigation into China's targeting of the maritime, logistics, and shipbuilding sectors for dominance, following a petition filed by USW and four other labor unions.¹

¹ <u>U.S. Trade Representative</u>, "USTR Initiates Section 301 Investigation of China's Targeting of Maritime, Logistics, and Shipbuilding Sectors for Dominance", April 17, 2024.

According to USTR, the petition raises serious allegations of longstanding efforts by the PRC to dominate these sectors through unfair, non-market policies and practices, mirroring tactics seen in other sectors. The petition accuses the PRC of implementing a comprehensive strategy over decades to control global transportation and logistics networks. These alleged actions have significantly harmed U.S. shipbuilding, maritime logistics, and related industries, along with the domestic supply chain and American workers. To address the damage caused by these practices, the petition recommends measures, including, but not limited to, ensuring strong domestic content requirements on federal assistance and programs to limit the use of Chineseproduced port infrastructure equipment in the United States.²

USW reiterates its call for EPA to coordinate with USTR, and other relevant authorities overseeing the Section 301 investigation, to ensure alignment between EPA's proposed Clean Ports Program and the broader approach of the Biden administration to this critical sector. The equipment covered by EPA's proposed waiver directly intersects with the subject matter of the Section 301 petition and investigation, including various types of maritime logistics equipment listed in EPA's notice.

Given the substantial evidence presented in the Section 301 petition, which is now under formal investigation, USW strongly believes that proceeding with the proposed waiver in its current form would not serve the public interest. We appreciate your consideration of this supplemental submission and are committed to collaborating with EPA to implement any necessary changes to the proposed waiver. Thank you.

Sincerely,

Director of Regulatory and State Policy

Legislative and Policy Department, 1155 Connecticut Ave, N.W. 5th Floor, Washington, D.C. 20036

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

² U.S. Trade Representative, "Petition for Relief Under Section 301 of the Trade Act of 1974, as amended – China's Policies in the Maritime, Logistics, and Shipbuilding Sector on behalf of USW, IAM, IBB, IBEW, and MTD", March 12, 2024.