



A bold voice for transportation workers

December 11, 2013

Mr. Gerald Yakowenko
Office of Program Administration
Federal Highway Administration
1200 New Jersey Ave., SE
Washington, DC 20590

**RE: Buy America Policy
Docket No. FHWA-2013-28186
Buy America Waiver Request, Chicago DOT**

On behalf of the Transportation Trades Department, AFL-CIO, I write in response to the Federal Highway Administration's (FHWA) notice regarding the Chicago Department of Transportation's (CDOT) request for a Buy America waiver. By way of background, TTD consists of 32 affiliated unions including those representing workers employed in the production of vehicle parts who would be impacted by the outcome of this proceeding. For the reasons explained below, TTD opposes the FHWA waiver as it is currently proposed.

TTD and our member unions have long embraced the principle that the strength of our transportation system and manufacturing sector are intrinsically linked. To help maximize the benefits of federal transportation investments, we have consistently insisted on strong Buy America policies that will sustain domestic manufacturing and the millions of jobs it supports.

With this notice, FHWA proposes to issue a partial waiver from its Buy America standards in order to allow CDOT to use Congestion Mitigation and Air Quality (CMAQ) Improvement Program funds to offer rebates and vouchers as incentives to purchase 378 alternative-fueled and electric-powered vehicles. Under the terms of the proposed partial waiver, FHWA would only require that the vehicles purchased by CDOT be assembled in the U.S. While we agree with the agency that these vehicles must be subject to a final assembly requirement, we urge FHWA to apply a minimum domestic content standard to the vehicles as well.

We believe the addition of a domestic content standard is imperative to supporting those employed in the manufacturing of vehicle parts, components and subcomponents. Without applying this standard, federal tax dollars could be used to purchase vehicles with little or no domestically produced materials. We believe that allowing this to occur would actually encourage the offshoring of the production of vehicle parts rather than supporting domestic manufacturers, and doing so would run counter to the intent of the Buy America principles.

Transportation Trades Department, AFL-CIO

815 16th Street NW / 4th Floor / Washington DC 20006

Tel:202.628.9262 / Fax:202.628.0391 / www.ttd.org

Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer



When a final assembly requirement is coupled with a reasonable domestic content standard, the agency supports not only the workers assembling vehicles at U.S. assembly plants, but also those who manufacture those auto parts. By encouraging the use of domestic products, FHWA helps expand our domestic supply chains for alternative fuel and low emission vehicles, which creates incentives for investing in our manufacturing sector while creating new middle-class jobs.

We understand that the agency has concerns about whether it is capable of determining where parts are manufactured. We note that for the passenger cars and trucks CDOT may likely purchase, resources are already available through the National Highway Traffic Safety Administration and other entities that provide such information to the public, including data identifying the country of origin of the vehicle and its parts, the country of final assembly and the percentage value of domestic content.¹ Further, we believe FHWA can follow the practice of other DOT modal agencies, including the Federal Transit Administration and the Federal Railroad Administration, which currently apply comparable domestic sourcing standards for equally complex items, such as rolling stock and high speed rail cars.

As the agency stated in its July 2013 notice, state and local governments are increasingly using CMAQ funds to purchase low emission and fuel efficient vehicles.² Given that the vehicle supply chain has lost an estimated 400,000 jobs since 2000, the time is now to support these workers by applying strong Buy America standards to CMAQ funds. To maximize the impact of federal tax dollars on local economies and support for domestic manufacturers, FHWA must require vehicles purchased with CMAQ funds be assembled in the U.S. and meet a reasonable minimum level of domestic content.

We appreciate the opportunity to comment on the partial waiver, and we urge the agency to reconsider its proposal.

Sincerely,



Edward Wytkind
President

¹ [http://www.nhtsa.gov/Laws+&+Regulations/Part+583+American+Automobile+Labeling+Act+\(AALA\)+Reports](http://www.nhtsa.gov/Laws+&+Regulations/Part+583+American+Automobile+Labeling+Act+(AALA)+Reports)

² Buy America Policy, Notice and Request for Comments, 78 Fed. Reg. 41492-41496 (July 10, 2013), Page 41494.

TTD submitted comments to this notice, urging FHWA to apply a final assembly requirement and a 60% domestic content standard, implemented over time, to vehicles purchased with CMAQ funds.