

May 22, 2023

Shailen P. Bhatt Administrator Federal Highway Administration 1200 New Jersey Avenue, SE Washington, D.C. 20590

RE: Notice and Request for Comment on FHWA's Review of its General Applicability Waiver of Buy America Requirements for Manufactured Products

Docket No. FHWA-2022-0027

Administrator Bhatt:

On behalf of the Transportation Trades Department, AFL-CIO (TTD), I am pleased to respond to the Federal Highway Administration's (FHWA) Request for Information regarding Buy America Requirements for Manufactured Products. TTD consists of 37 affiliate unions representing workers in construction and manufacturing who are directly impacted by Buy America policies.

The general applicability waiver discussed in this docket has survived for 40 years and has outlived its usefulness. Such broad and general waivers should never be used when targeted, time-limited, and transparent waivers can serve instead. In this case, targeted waivers would create market signals to increase U.S. production of needed manufactured products and their upstream components, inputs, and materials. If products cannot be produced domestically at a reasonable cost or are unavailable, the law affords FHWA with authority to issue targeted and time-limited waivers which can be renewed at reasonable intervals. However, as has occurred with the 1983 manufactured products waiver, general waivers of general applicability deny infrastructure opportunities for U.S. manufacturing workers while also obscuring the gaps in our transportation industrial base. The waiver at question in this docket was last reviewed 10 years ago, and recent years have made clear the need to better understand supply chain vulnerabilities and to create incentives for reshoring lost capacity and strengthening U.S. production. For this reason, TTD urges FHWA not to renew the waiver and instead grant targeted waivers for no more than two years at a time.

The approval and continuation of long-term and general waivers enables billions of taxpayer dollars to be sent overseas instead of being used to create jobs in the United States. The United Steelworkers identified the consequence of doing so in its comments:

"Recent supply chain disruptions – for everything from medical supplies to semiconductors – make unavoidably clear the federal government must do everything in its power to restore our industrial base and reduce our dependence on unreliable foreign sources for our infrastructure and national security needs. The U.S. Department of Transportation can do its part by fully implementing the "Build America, Buy America" Act (BABA), which ensures that all federally assisted infrastructure use iron, steel, manufactured products, and construction materials that are produced in the United States. The manufactured products general waiver was poorly justified when it was issued by FHWA in 1983 and is completely at odds with public policy today."

TTD agrees that prolonging the manufactured products waiver will only result in billions more U.S. tax dollars needlessly being sent abroad, strengthening other countries manufacturing sectors and deepening our dependency on imported products.

We applaud the Biden administration's Made in America policies that promote American manufacturing. In light of the historic investments that are being made through funding included in the Bipartisan Infrastructure Law, this waiver is not consistent with the administration's goals or the needs of the American people. In other words, the 1983 manufactured products waiver of general applicability is no longer in the public interest. TTD urges FHWA not to renew this waiver.

Sincerely,

Greg Regan President