

AFS Government Affairs Day

June 20-21, 2017

Hyatt Regency Capitol Hill

Washington DC

Submitted by: Mike Alexander

Riverside Refractories

Over View

This type of effort is year-round by American Foundry Society (AFS) as they employ a vice president of government affairs. The Society does an excellent job of providing educational support to its members as well. This is definitely a manufacturing society and it is evident that it takes a strong position on government awareness and urges being your own advocate to your congressional representatives. The program was created to provide information on the important issues facing the Society and its members, and to provide tips on conducting your meetings on Capitol Hill. AFS arranged all meetings with representatives and its members needed only to show up, informed with the provided topical subject matter and express their positions to their representatives. The Society provides award recognition to Congressional members, the Eagle Award, which is a method to not only recognize congressional supporters of the industry but to engage them as well.

The first day consisted of several presentations providing perspective on the current agendas in the legislative and Executive branches. This is a summary of the talks.

Outlook on Infrastructure Package in the Trump Administration and the 115th

Congress – Ed Mortimer, Executive Director, Transportation Infrastructure, U.S. Chamber of Commerce

Infrastructure is the backbone of the nation's economy. There is a backlog of \$3.6 trillion dollars in infrastructure projects. This includes repairs needed for nearly 60,000 bridges, which is 9.1% of the total bridges in the U.S. being structurally deficient. Roads, bridges, mass transit systems, air and sea ports as well as water infrastructure are national assets that drive growth, jobs, and global competitiveness. The Chamber's top 3 items are:

1. Make new economic policies based upon need and data to drive projects.
2. Create a toolkit of funding and financing options. The federal government, the Trump Administration, has \$200 billion earmarked for infrastructure and would encourage private financing when it makes sense.
3. Clarity in regulatory process. This is needed to compress project initiation time from 10 years to 3 years.

Infrastructure projects would increase jobs in America as more building materials, heavy equipment, steel, concrete, and support services would be required.

Trump Administration's Impact on Trade and Buy America Policies – Tim Brightbill, Christopher Weld, Partners, Wiley Rein

International trade position is to expand trade in a way that is freer and fairer for all Americans. Every action will be designed to increase economic growth, promote job creation in the United States, promote reciprocity with our trading partners, strengthen our manufacturing base and our ability to defend ourselves, and expand our agricultural and service industry exports. This is highlighted by renegotiation and revising trade agreements. This includes, but not limited to, protection of U.S. intellectual property, ensuring that all trade policies contribute to and improve national security

interests, and resisting efforts by other countries to advance interpretations that would weaken the rights and benefits of various trade agreements to which the United States is a party. Certain materials and industries are viewed as being necessary to national security, not just armament.

Buy America, Hire Americans policy addresses the use of American made steel on federal projects. Melted and poured in the United States is a policy that would prevent the importation of certain unfinished goods, such as slabs, to be further treated or worked domestically. This helps the U.S. iron and steel industry tremendously.

Regulatory reform would be needed to streamline permitting and compliance to existing standards which would benefit domestic manufacturers.

Reducing Regulatory Burdens for Manufacturers – Bruce Lundegren, Assistant Chief Counsel, Office of Advocacy, U.S Small Business Administration and Marc Freedman, Executive Director of Labor Law Policy, U.S. Chamber of Commerce

A timeline provided highlighting several actions taken by the Trump Administration in 2017.

1. Regulatory Freeze Pending Review 01/20/2017- Priebus memo
2. Streamlining Permitting and Reducing Burden on Manufacturers – Presidential Memo 01/24/2017
3. Executive Order (EO) 13771- Reducing Regulations and Controlling Regulatory Costs. This is the “1 in, 2 out” order by the President
4. OIRA (Office of Information and Regulatory Affairs) oversees review of Executive Branch regulations, and coordination of federal privacy policy. Created by EO 12866 in 1993 by President Clinton, it provides for regulations review and their applicability to the law.

The Small Business Administration Office of Advocacy is a watch dog for small businesses. It will determine compliance of regulations under the Regulatory Flexibility act, and assist in Section 610 of the RFA. Exists to aid small businesses from being imposed with unnecessary burdens targeted to larger entities or businesses. This could be a good resource for many small businesses.

Keynote Address: “The Political Landscape in Washington” – Stephen Hayes, Editorin Chief, *The Weekly Standard* and FOX News contributor

A luncheon speaker, Stephen Hayes offered some insights. Before joining The Weekly Standard, Hayes was a senior writer for National Journal's Hotline. He also served for six years as Director of the Institute on Political Journalism at Georgetown University. His work has appeared in the New York Post, the Washington Times, Salon, National Review, and Reason. He has been a commentator on CNN, The McLaughlin Group, the Fox News Channel, MSNBC, CNBC, and C-SPAN. Before becoming editor in chief, Hayes long served as a senior writer at The Weekly Standard. He is the author of two New York Times best sellers.

Workplace Safety Update: What’s the Latest on OSHA’s Silica Rule and Top 5 OSHA Issues Facing Foundries in 2017 – Bradford T. Hammock, Principal, Jackson Lewis P.C.

NAM is working with AFS on silica litigation. There is no assistant secretary for OSHA at this time. Compliance of the new regulation is June 23, 2018. There is ongoing litigation and the request is to reopen the ruling due to economic feasibility. OSHA has determined a cost of compliance for the

foundry industry to be \$47 million dollars, while the industry determines that \$2.2 billion per year would be spent in order to achieve the new level of requirement.

Changes at EPA Under the Trump Administration: What Does it Mean for the Metal Casting Industry?

– Joshua Zive, Senior Principal, Bracewell LLP

At the White House, the environmental policy is the energy policy.

1. Eliminate harmful policies like WOTUS (Waters of the United States)
2. Reduce dependence on OPEC
3. Be environmentally responsible.

Staffing is incomplete in the Trump administration as more than 80% remain to be confirmed. It is believed that the White House will move slowly on new regulations. It was pointed out that of 557 positions requiring Senate confirmation, the Trump administration has filled 46. 115 are waiting to be confirmed which would make for about 70% of the positions still unfilled.

Trump, Congress and Taxes: Is Tax Reform Here? – Raymond Wiacek, Partner, Jones Day

Ray Wiacek has testified before the House Ways and Means Committee. He testified in February of 2016 that other countries compete for investments and job through their tax codes while the United States accepts a broken corporate tax system with the highest rates in the world. Corporate tax reform was last addressed in 1986. US corporate income tax is at 35% compared to Canada and the UK which is 20%. To be globally competitive, lower corporate taxes are necessary. The link below is a pdf of Mr. Wiacek's testimony.

<http://www.jonesday.com/files/upload/RJW%20Ways%20and%20Means%20Testimony.pdf>

The second day was dedicated to visits with House and Senate representatives. In preparation for our Capitol Hill visits on Wednesday, the afternoon concluded with meeting with your caucus members and reviewing the talking points and agenda set forth by AFS. The packet made available to all attendees included a congressional directory, congressional appointment sheet, and handouts of priority issues. These issues were:

1. The OSHA silica rule
2. Tax Reform
3. Invest in our Nation's infrastructure
4. Trade
5. Regulatory Reform

In our meetings, I would speak about the refractories industry, the support we provide to metal casters, and the impact of the silica rule. The refractories industry is affected by and would benefit from addressing the other issues as well. We met with staffers as well as the Representatives and Senators, sometimes only the staffers but this is important as these people help to inform and shape the policy of the office.



The Alabama caucus at the Capitol Hill Club as Rep. Robert Aderholt of Alabama 4th Congressional district receives the MetalCasting Industry Award for his support of Alabama metalcasters and foundries nationwide.



With Rep. Mike Rogers, center, Alabama 3rd district. Riverside Refractories is in Rep. Rogers District.

With Senator Luther Strange below.



I thank the American Ceramic Society for supporting my efforts to represent the refractories community at this Government Affairs Conference.

Mike Alexander
Riverside Refractories.

Charlie Spahr, ACerS Executive Director added the following to Mike's report:

As part of the Ohio delegation I met with Senator Sherrod Brown's office and our group was able to communicate on several issues including the silica guidelines, workforce development, etc. While Senator Brown is not the most 'friendly' Senator re: industry regulation issues, his senior aide heard out our points (and apparently was much more engaging than in the prior meeting she had with the group in 2016 – persistence counts).

While you meet primarily with the member's staff and not the member themselves, they are well informed, and very open to hearing your points. It definitely pays to come well informed so that you provide them with facts to back up your position – they are overwhelmed by any number of issues, so they appreciate the data rather than just opinions.

Bottom line – time well spent, an engagement our Society can benefit from.