

(February 28, 2007) OPENING STATEMENT: H.R. 1126, Reauthorizing the Steel and Aluminum Energy

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Markup: "H.R. 1126, Reauthorizing the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988"

February 28, 2007

Thank you, Mr. Chairman; I am pleased to be here today for the markup of H.R. 1126, legislation reauthorizing the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, also known as the Metals Initiative.

Today, the steel industry and other metals industries are important parts of our national economy and they must remain innovative in order to stay competitive in the increasingly global economy. Now more than ever it is vital to ensure that these industries are fully prepared to confront the challenges that it faces at home and abroad. This bill will protect valuable jobs and vital businesses in the United States, while developing advanced, environmentally-friendly technologies to prepare the industry for the challenges of tomorrow.

Originally passed by the 100th Congress, the Metals Initiative authorizes federal cost sharing of research whose goals are threefold: first, enhancing energy-efficiency, second, increasing the competitiveness of U.S. industry, and third, improving the environment through reductions in greenhouse gas emissions. More specifically, this legislation promotes collaborative, cost-shared, public-private research between the American industry, the Department of Energy, and institutions of higher learning. The bill would reauthorize the Metals Initiative at \$12 million per year from Fiscal Year 2008 through 2012 to fund advanced metals research.

The success of the American steel industry has a special personal significance for me. My father-in-law was a steelworker at Bethlehem Steel in Johnstown, Pennsylvania, before his plant closed due to foreign competition. This bill will help prevent further losses of good American jobs like his by increasing the competitiveness of our domestic industry.

While the U.S. steel industry has significantly modernized, the pace of technology and the competition from overseas is relentless. Reauthorization of this bill is essential to preserve American jobs, keep the customers of the U.S. steel industry strong, and assure that our defense industry has the secure supply of domestic steel products it needs.

The results of this program speak for themselves. Since its inception, the Metals Initiative has delivered numerous technologies to the factory floor, resulting in incredible environmental and energy savings while increasing the

competitive position of the steel industry and the domestic manufacturing sector. In the Chicago area, schools such as my alma mater Northwestern University have participated in this program, along with companies such as IPSCO and A. Finkl & Sons. Because of advances made in steel production, partially through the industry's partnership with DOE, the steel industry as a whole used 28% less energy in 2004 to produce a ton of steel than in 1990.

In addition, this research has produced several successful and important technological breakthroughs, including the development of advanced high strength steels and Ultra-Light Weight Steel Automobile Bodies, leading to lighter, safer, and more energy-efficient automobiles. In fact, recently these advanced technologies were applied to a new, lightweight military vehicle, yielding performance improvements including 25% weight savings and 50% fuel efficiency improvement. Through this partnership program, the U.S. Army now has a next generation tactical vehicle that ensures a mobile, agile, and responsive force for use by American war fighters. These advances, applied to the civilian versions of the vehicle, add a substantial further positive impact to our nation's economy.

Lastly, it is important to note that the federal funds in this program are given to the schools to conduct the research. Companies are not the recipients of funds and they must provide a share of the cost of the research. But the American company that provides that match has the first opportunity to take advantage of the research findings and improve their manufacturing operations, benefiting American workers.

H.R. 1126 is simply a great example of how public-private partnerships can benefit both taxpayers and shareholders by saving energy, improving the environment, and accelerating the development and implementation of modern technology.

All Americans benefit from common sense programs such as this one, and I urge my colleagues to support H.R. 1126.

Thank you, Mr. Chairman, I yield back the balance of my time.