January 3, 2019

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

On behalf of the American Foundry Society (AFS) and its thousands of members, we congratulate, welcome and offer our assistance to you and the members of the 116th Congress as you craft policy solutions that will help our nation’s economy, manufacturers and communities thrive. We look forward to working in a bipartisan manner to enact pro-manufacturing legislative priorities.

AFS is the longest-established and largest association representing manufacturers involved in the production and distribution of metal castings, a $33 billion industry. These castings are integral to virtually all U.S. manufacturing activities. Made from iron, steel, aluminum, and other alloys, they have thousands of applications. Castings are used to produce 90 percent of all durable goods and nearly all manufacturing machinery. In addition to the automotive, construction, and defense industries, other major sectors supplied by the metalcasting industry include agriculture, aerospace, municipal/water infrastructure, power generation, wind turbines, oil and gas, rail, transportation, forestry, and health care. Foundries are the mainstay of national defense. All sectors of the U.S. military are reliant on metal castings for jet fighters, ships, tanks, trucks, weapon systems and other vital equipment.

The American metalcasting industry provides employment for over 200,000 men and women directly and indirectly. Our members are located in every state in the nation and most congressional districts. Nearly 80 percent of domestic metalcasters are small businesses that employ fewer than 100 employees.

Metalcasters urge Congress and the administration to work together to enact growth-oriented, job-creating policies in 2019-2020, including the following AFS priorities to advance the nation’s economic security and the vitality of the U.S. metalcasting industry:

- **Invest in Our Nation’s Critical Infrastructure**
  Transportation infrastructure facilitates broad economic growth and directly impacts the competitiveness of the U.S. metalcasting industry. AFS supports increased, long-term federal funding improvements and investment for our nation’s critical infrastructure and transportation systems (highways, bridges, railroads, mass transit systems, airports, seaports, pipes, pipelines and power lines). These critical assets are in urgent need of repair, maintenance and sustainable investment. In addition, AFS supports the expanded use of public-private partnerships for infrastructure development, reforms that streamline permitting to speed approval of large
projects, and provisions that ensure that metal castings used for the nation’s infrastructure are made in the U.S.

- **Ensure Adequate Investment for Water Infrastructure**
  Many of our nation’s water and wastewater systems are more than 100 years old. Government and industry studies have estimated the nation’s water infrastructure needs over the next two decades in the hundreds of billions of dollars. AFS urges the Congress and the administration to remain firmly committed to investing in our nation’s water infrastructure as part of the total infrastructure investment.

- **Invest in the Next Generation of Skilled, Technical Workers**
  Further complicating our ability to grow is the fact that metalcasters face a severe lack of workers (skilled and unskilled). Manufacturers have around half a million jobs to fill. A new study released in November by Deloitte and The Manufacturing Institute reveals that more than 2 million manufacturing jobs could go unfilled over the next decade if we do not rethink dramatically the way we attract, train and retain talented workers. In addition to the 2.4 million manufacturing jobs expected to be unfilled in the next 10 years, there are another 2.69 million vacancies expected to be created by retiring workers in the same time frame. AFS urges Congress to ensure federal training and educational programs receive adequate funding to maintain a skilled and dynamic technical workforce.

- **Aggressively Combat Unfair Trade Practices Against the U.S. Metalcasting Industry**
  Too often, certain foreign countries have engaged in unfair and unlawful trade practices, such as subsidies, dumping, and currency manipulation, which result in an uneven playing field, and undercuts the viability of U.S. metalcasting industry. AFS will continue to work with Congress, the Administration, including the US Trade Representative, Commerce Department, and the International Trade Commission to continue to combat unfair trade practices against the U.S. metalcasting industry, and to ensure changes to new trade deals are beneficial to U.S. manufacturers.

Additionally, AFS commends to your continued attention the report issued by the Administration in September 2018 entitled, *Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States*. We urge your support for actions to address the nearly 300 risks identified in the report.

AFS looks forward to working with you to enact pro-growth policy solutions such as these so that, together, we can help America’s manufacturers, communities and economy thrive. If you would like additional information regarding these priorities and our critical industry, please contact me or our AFS Washington representative, Stephanie Salmon, ssalon@afsinc.org.

Sincerely,

Doug Kurkul
CEO
American Foundry Society