AFS Government Affairs Day

May 18-19, 2016

Hyatt Regency Capitol Hill

Washington DC **Submitted by: Mike Alexander Riverside Refractories**

Over View

My immediate impression of the AFS Government Affairs Day was the organization by AFS of its advocacy team. With 700 corporate members, 8,000 individual members this is similar in size to the American Ceramic Society. This type of effort is year round by 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.

This was a good event. I was impressed with the organization and content. My takeaways being how can the Refractories Institute and the American Ceramic Society create this type of involvement for their members? TRI and ACerS have mutual membership, the Refractory Ceramic division is represented on TRI as TRI members participate in RCD as well. The Manufacturing division in ACerS also would benefit by having similar functions. The two groups I represent should consider how to engage AFS and provide similar advocacy to TRI and ACerS.

Summary

The American Foundry Society held its annual Government Affairs conference which provides members of the metalcasting industry the chance to speak to their Congress representatives about issues important to the industry. A day of sessions on various legislative topics was scheduled for Thursday May 19. A well-organized conference, the preparation of its 70 attendees by its advocate Stephanie Salmon, Vice President Government Affairs of the American Foundry Society. A pre-meeting packet was made available online, containing key meeting materials such as:

- Program Agenda
- 2016 Conference issue briefs
- Castings are Critical to Infrastructure
- Talking points on industry priority issues for congressional meetings
- Making the Most of Your Capitol Hill Meetings

The priority issues for 2016 were:

- Infrastructure
- OSHA: crystalline silica ruling

- EPA: the effect of regulations on cost and energy concerns
- Regulatory Reform
- Water Infrastructure

On April 4, AFS filed the association's legal challenge and will continue to seek measures to improve the rule with Congress and the next presidential administration.

A webinar was conducted on OSHA ruling regarding crystalline silica on April 12, 2016. The PowerPoint presentation was made available online.

The PEL level is being lowered from 100 micrograms to 50 micrograms with an action level of 25 micrograms.

On April 19th, the House Committee on Education Workforce Protections Subcommittee held a hearing on the U.S. Occupational Safety and Health Administration's (OSHA) recently finalized crystalline silica rule and the impact it will have on the nation's workplaces.

The Conference

The conference consisted of a day of general sessions with five topical presentations. It should be noted that infrastructure week was coincident with the AFS Government Affairs Day. The morning started with William Malley of Perkins Coie Law Firm, which specializes in government and regulatory law, providing an overview of the **FAST** (Fixing America's Surface Transportation) Act. This is a transportation bill which impacts all infrastructure projects. Mr. Malley covered topics such as what slows down the process of project start up, discussed various agencies (NEPA, ESA, CWA, NHPA, CAA, etc.) that have input or jurisdiction over many areas that impact project start up. There is a movement afoot to coordinate agency involvement. A legislation timeline was presented to highlight how different administration's desire to create momentum regarding infrastructure. There is greater visibility in the permitting process, and greater opportunity to provide input and engage agencies. At www.permits.performance.gov there is a dashboard which provides new tools to resolve disagreements among agencies. These were key benefits being pointed while the cons tend to be increased complexity and the same underlying legal requirements. The first presentation concluded with Don Bauer of Perkins Coie providing an overview of the new EPA law and the waters of the United States (**WOTUS**) as it pertains to the **Clean Water Act** and how this impacts nearly every infrastructure project. It became apparent how regulations tie up the movement of projects due to inclusion of various agencies and their influences. Twenty-nine states and other private parties have sued the federal government over the Clean Water Act. The presentation was 45 minutes in length.

The morning concluded with an hour and a half of an EPA Panel discussion, updating greenhouse gas regulations and discussing the social costs of carbon. The Clean Air Act has seen unprecedented legislation as EPA apparently oversteps its authority as a regulatory agency. The ozone standards are reviewed every 5 years to establish new standards. The National Association of Manufacturers (NAM) led a powerful organized effort to create the 70 ppb air quality levels which are now being challenged. There is legislation (H.R 4775/S. 2882) that asks for delay of the 2018 designations to 2025, change the 5-year cycle of review to 10, and consider the economic feasibility during implementation. The social costs of carbon were discussed. The global warming damages from a ton of carbon dioxide emissions are debatable as there is no connection between temperature impact and cost. There does exist a

recognized influence on the environment but cost derivatives are a wide range and not agreed upon at this time. There is no real scientific constant for the social costs of carbon.

A keynote speaker, Charles Cook, editor and publisher of the Cook Report, provided an interesting outlook on this political year during the luncheon.

The first day concluded with a discussion on natural gas and oil prices. The market balance is affected by geopolitical events, exporter decisions, and timing of supply effects from reduced investments. The OSHA crystalline silica ruling was permitted over an hour of time as attorneys representing AFS provided updates on the legal challenge status. There exist multiple petitions for review submitted by AFS, other industries, and several unions. The petitions were filed in various circuit courts but have been consolidated in the DC court. The court will issue briefing notices, which have yet to be issued. Petitioners will have the opportunity to file two briefs and then oral arguments will be heard. There would be a decision in 9-12 months after hearing the petitioners. OHSA will have to show the significant risk of exposure, and include the technical and economic feasibility of their ruling.

Following the OHSA discussion, members broke by state to prepare for their visits on Capitol Hill on Thursday May 19th.

On Thursday, my meetings on Capitol Hill were arranged with the representatives I had selected in preparing for Government Affairs Day. Three of us met with both senate staff and also three congressional members from Alabama.

Support the AFS Silica Rule Legal Challenge

The new crystalline silica rule that OSHA released March 24 will cut in half the existing permissible exposure limit to silica and could cost the industry more than $2.2 billion annually. AFS has been working for three years to directly address the pending rule with OSHA and detail the impact on metalcasting. With the rule now finalized, our only strong recourse against the rule is to present a legal challenge.

AFS filed suit in a Circuit Court on Monday, April 4, to stop OSHA's silica regulation. Should we prevail at the Circuit Court, OSHA would likely appeal to the U.S. Supreme Court or come to a settlement agreement with all of the parties who litigate this rulemaking.

Your industry needs your financial support to fight this devastating new standard to help underwrite legal costs as we battle in the courts. To lend your support, credit cards are accepted or you can mail a check payable to American Foundry Society referencing the Silica Appeal Initiative.

Contributions, gifts or payments to American Foundry Society are not tax deductible as charitable contributions for Federal income tax purposes.

http://www.afsinc.org/government/content.cfm?ItemNumber=19149&navItemNumber=19173