AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

110TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPORT 110–41

# STEEL AND ALUMINUM ENERGY CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988 REAUTHORIZATION

MARCH 8, 2007.—Committed to the Committee on the Whole House on the State of the Union and ordered to be printed

Mr. GORDON of Tennessee, from the Committee on Science and Technology, submitted the following

## R E P O R T

[To accompany H.R. 1126]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science and Technology, to whom was referred the bill (H.R. 1126) to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

CONTENTS

| | | Page |
|---|---|---|
| I. | Purpose of the Bill | 2 |
| II. | Background and Need for the Legislation | 2 |
| III. | Hearing Summary | 2 |
| IV. | Committee Actions | 2 |
| V. | Summary of Major Provisions of the Bill | 3 |
| VI. | Section-by-Section Analysis | 3 |
| VII. | Committee Views | 3 |
| VIII. | Cost Estimate | 3 |
| IX. | Congressional Budget Office Cost Estimate | 4 |
| X. | Compliance with Public Law 104–4 | 5 |
| XI. | Committee Oversight Findings and Recommendations | 5 |
| XII. | Statement on General Performance Goals and Objectives | 5 |
| XIII. | Constitutional Authority Statement | 5 |
| XIV. | Federal Advisory Committee Statement | 5 |
| XV. | Congressional Accountability Act | 6 |
| XVI. | Statement on Preemption of State, Local, or Tribal Law | 6 |
| XVII. | Earmark Identification | 6 |
| XVIII. | Changes in Existing Law Made by the Bill, as Reported | 6 |
| XIX. | Committee Recommendations | 8 |
| XX. | Proceedings of the Full Committee Markup | 8 |

59–006

## I. Purpose of the Bill

The purpose of the bill is to reauthorize a program of energy efficiency research and development (R&D) at the Department of Energy (DOE) focused on the domestic metals industry. Specifically, the bill reauthorizes the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, and makes minor modifications to that act.

## II. Background and Need for the Legislation

DOE's steel-related energy efficiency R&D program was established in 1986. The program was expanded to a broader "metals initiative" in 1988 when the President signed into law the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. Reauthorization of appropriations for the program occurred in 1992 with the passage of the Energy Policy Act. Authorization of appropriations expired in 1997, although Congress has continued to appropriate funds for the program each year since then as part of the Industries of the Future program at DOE. H.R. 1126 reaffirms Congressional support for the metals program through reauthorization of appropriations through 2012, updates program priorities and reinstates the annual report requirement.

## III. Hearing Summary

On May 20, 2004, during the 108th Congress, the Subcommittee on Energy of the Committee on Science held a hearing to examine the metals R&D program at DOE. Witnesses included: (1) Mr. Douglas L. Faulkner, Principal Deputy Assistant Secretary for Energy Efficiency and Renewable Energy at the U.S. Department of Energy; (2) Mr. Richard A. Shulkosky, Vice President for Sales, Marketing and Product Development at the INTEG Process Group, a small company that supplies industrial process control systems and electronics; (3) Ms. Lisa A. Roudabush, General Manager of Research for the United States Steel Corporation; and (4) Dr. Ronald Sutherland, Consulting Economist and Adjunct Professor of Law at the George Mason University School of Law.

Mr. Faulkner, speaking on behalf of the Administration, testified on the history and management of the program and provided examples of success stories. He indicated that the Administration had no objection to the legislation. Mr. Shulkosky and Ms. Roudabush spoke of their companies' experiences and successes with the program. Mr. Sutherland suggested that the program placed too much emphasis on energy efficiency rather than economic efficiency. He also recommended program improvements that he felt would help ensure the program benefited metals companies in the United States.

## IV. Committee Actions

On February 26, 2007, H.R. 1126, a bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, was introduced by Congressmen Lipinski and Ehlers and was referred to the Committee on Science and Technology. The bill was not referred to a subcommittee. On February 28, 2007, the Committee met to consider H.R. 1126 and ordered the

bill reported without amendment by voice vote. Except for the years the program is authorized, H.R. 1126 is virtually identical to H.R. 1158, introduced by Congresswoman Hart, Congressman Lipinski, and Congressman Ehlers in the 109th Congress.

## V. Summary of Major Provisions of the Bill

The bill amends the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. Primarily, the bill authorizes appropriations each year for fiscal years 2008 through 2012 for the Department of Energy. The bill also updates priorities to be considered in research planning, repeals a section related to National Institute of Standards and Technology (NIST) programs that have been inactive, and reinstates the annual report requirement for DOE.

## VI. Section-by-Section Analysis

### SECTION 1. AMENDMENTS

Amends various sections of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 as follows:

Authorizes appropriations for fiscal year 2008 through 2012 at $12 million annually, roughly the same level as enacted in fiscal year 2005 ($11,111,000 was allocated to the program).

Amends the list of priorities to delete "coatings for sheet steels" and substitute "sheet and bar steels," and to add research on technologies that reduce greenhouse gas emissions.

Strikes the section referring to activities at NIST.

Reinstates the annual report to Congress requirement.

## VII. Committee Views

The Committee believes that energy efficiency research and development (R&D) is an important component of the Nation's R&D portfolio, especially given concerns about energy security and the environmental impact of energy use. As one of the largest energy-consuming industries, efficiency research for the metals industry seeks to pay large dividends at a relatively low cost. Improvements by these large energy consumers have the potential to provide for significant reductions in energy demand for the nation, lowering demand for fuels and reducing upward pressure on prices. The Committee also believes that the metals program can help the U.S. steel and aluminum industries to maintain a competitive edge over foreign producers. A healthy U.S. metals industry helps keep skilled jobs here in America, and protects the Nation against reliance on foreign sources of metal materials and products essential to our economy and national security.

## VIII. Cost Estimate

A cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted to the Committee on Science prior to the filing of this report and is included in Section X of this report pursuant to House Rule XIII, clause 3(c)(3).

H.R. 1126 does not contain new budget authority, credit authority, or changes in revenues or tax expenditures. Assuming that the

sums authorized under the bill are appropriated, H.R. 1126 does authorize additional discretionary spending, as described in the Congressional Budget Office report on the bill, which is contained in Section X of this report.

## IX. Congressional Budget Office Cost Estimate

March 9, 2007.

Hon. Bart Gordon,
*Chairman, Committee on Science and Technology,*
*House of Representatives, Washington, DC.*

Dear Mr. Chairman: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1126, a bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Megan Carroll.

Sincerely,

Peter R. Orszag.

Enclosure.

*H.R. 1126—A bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988*

Summary: H.R. 1126 would authorize appropriations totaling $60 million over the 2008–2012 period for research and development to enhance the energy efficiency of processes to manufacture metals, particularly steel and aluminum. Assuming appropriation of the specified amounts, CBO estimates that implementing the bill would increase discretionary spending by $6 million in 2008 and $54 million over the next five years. Enacting H.R. 1126 would not affect direct spending or revenues.

H.R. 1126 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: For this estimate, CBO assumes that H.R. 1126 will be enacted before the end of fiscal year 2007 and that appropriations will be provided as specified in the bill. The estimated budgetary impact of H.R. 1126 is shown in the following table. The costs of this legislation fall within budget function 270 (energy).

| | By fiscal year, in millions of dollars— | | | | | |
|---|---|---|---|---|---|---|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| SPENDING SUBJECT TO APPROPRIATION | | | | | | |
| Spending Under Current Law for Research on Energy Efficiency of Metals Manufacturing: | | | | | | |
| Budget Authority)[1] | 7 | 0 | 0 | 0 | 0 | 0 |
| Estimated Outlays | 6 | 2 | 0 | 0 | 0 | 0 |
| Proposed Changes: | | | | | | |
| Authorization Level | 0 | 12 | 12 | 12 | 12 | 12 |
| Estimated Outlays | 0 | 6 | 12 | 12 | 12 | 12 |
| Spending Under H.R. 1126 for Research on Energy Efficiency of Metals Manufacturing: | | | | | | |
| Authorization Level | 7 | 12 | 12 | 12 | 12 | 12 |
| Estimated Outlays | 6 | 8 | 12 | 12 | 12 | 12 |

[1] The 2007 level is the amount appropriated for that year for programs to improve the energy efficiency of metals manufacturing.

Basis of estimate: H.R. 1126 would reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988. The bill would authorize the appropriation of $12 million a year over the 2008–2012 period for research and development to enhance the energy efficiency of processes to manufacture steel, aluminum, and other metals. It also would expand research authorized under the act to include processes that make bar steel and technologies to reduce greenhouse gas emissions. Based on historical spending patterns for similar activities, CBO estimates that fully funding H.R. 1126 would increase discretionary spending by $6 million in 2008 and $54 million over the next five years, assuming appropriation of the specified amounts.

Intergovernmental and private-sector impact: H.R. 1126 contains no intergovernmental or private-sector mandates as defined in UMRA. Funds authorized in the bill would benefit institutions of higher education that participate in research programs to improve the energy efficiency of metals. Any costs that they might incur, including matching funds, would result from complying with conditions of federal assistance.

Estimate prepared by: Federal Costs: Megan Carroll. Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum. Impact on the Private Sector: Craig Cammarata.

Estimate approved by: Robert A. Sunshine, Assistant Director for Budget Analysis.

## X. Compliance With Public Law 104–4

H.R. 1126 contains no unfunded mandates.

## XI. Committee Oversight Findings and Recommendations

The Committee on Science's and Technology's oversight findings and recommendations are reflected in the body of this report.

## XII. Statement on General Performance Goals and Objective

Pursuant to clause (3)(c) of House rule XIII, the goals of H.R. 1126 to reauthorize the Department of Energy's program scientific research and development of steel and aluminum technologies to increase the energy efficiency, international competitiveness and environmental performance of these American industries by aligning the research and development resources of industry and government. The program promotes collaborative, cost-shared, public-private research and pre-competitive development, bringing together the expertise and experience of the metals industries, the DOE National Laboratories, universities, states and others.

## XIII. Constitutional Authority Statement

Article I, section 8 of the Constitution of the United States grants Congress the authority to enact H.R. 1126.

## XIV. Federal Advisory Committee Statement

H.R. 1126 does not establish nor authorize the establishment of any advisory committee.

## XV. Congressional Accountability Act

The Committee finds that H.R. 1126 does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

## XVI. Statement on Preemption of State, Local, or Tribal Law

This bill is not intended to preempt any state, local, or tribal law.

## XVII. Earmark Identification

H.R. 1126 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of Rule XXI.

## XVIII. Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

### STEEL AND ALUMINUM ENERGY CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988

* * * * * * *

**SEC. 4. ESTABLISHMENT OF SCIENTIFIC RESEARCH AND DEVELOPMENT PROGRAM TO DEVELOP COMPETITIVE MANUFACTURING TECHNOLOGIES AND INCREASE ENERGY EFFICIENCY IN THE STEEL AND ALUMINUM INDUSTRIES.**

(a) * * *

* * * * * * *

(c) Priorities.—Within 6 months after the date of enactment of this Act, the Secretary shall publish an update of the research plan. In reviewing research and development activities for possible inclusion in the research plan, the Secretary shall consider the following:

(1) Steel projects.—

(A) * * *

* * * * * * *

(H) The development of advanced [coatings for sheet steels] *sheet and bar steels*.

* * * * * * *

*(K) The development of technologies which reduce greenhouse gas emissions.*

* * * * * * *

**[SEC. 7. EXPANDED STEEL AND ALUMINUM RESEARCH PROGRAM IN NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY.**

[The National Institute of Standards and Technology, through its Institute for Materials Science and Engineering and, as appropriate, in coordination with the Department of Energy and other Federal agencies, shall conduct an expanded program of steel and aluminum research to provide necessary instrumentation and

measurement research and development in support of activities conducted under this Act.]

**SEC. 8. REPORTS.**

The Secretary shall prepare and submit annually to the President and the Congress at the close of each fiscal year, *beginning with fiscal year 2008,* a complete report of the research and development activities carried out under this Act during the fiscal year involved, including the actual and anticipated obligation of funds, for such activities, together with such recommendations as the Secretary may consider appropriate for further legislative, administrative, and other actions, including actions by the American steel, aluminum, copper, and other metals industries, which should be taken in order to achieve the purposes of this Act. The report submitted at the close of fiscal year 1991 shall also contain a complete summary of activities under the management plan and the research plan from the first year of their operation, along with an analysis of the extent to which they have succeeded in accomplishing the purposes of this Act. The reports submitted at the close of fiscal years 1993, 1995, and 1997 shall also contain a complete summary of activities under the management plan and the research plan from the first year of their operation, along with an analysis of the extent to which they have succeeded in accomplishing the purposes of this Act.

**[SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

[(a) TO THE SECRETARY.—(1) There are authorized to be appropriated to the Secretary, to carry out the functions of the Department of Energy under this Act, $2,000,000 for fiscal year 1989, $20,000,000 for fiscal year 1990, $25,000,000 for fiscal year 1991, $17,968,000 for fiscal year 1992, and $18,091,000 for each of the fiscal years 1993 through 1997, to be derived from sums authorized under section 2101(e) of the Energy Policy Act of 1992.

[(2) Funds previously appropriated for the steel research and development initiative—

[(A) under title II of the Interior and Related Agencies portion of the joint resolution entitled "Joint Resolution making further continuing appropriations for the fiscal year 1986, and for other purposes", approved December 19, 1985 (Public Law 99–190); or

[(B) under subsequent appropriation Acts,

which remain available under the terms of such Acts may be used for the purposes of this Act.

[(b) TO THE INSTITUTE.—There are authorized to be appropriated to the Director of the National Institute of Standards and Technology to carry out the functions of the Institute under this Act, $3,000,000 for each of the fiscal years 1989, 1990, 1991, 1992, 1993, 1994, 1995, 1996, and 1997, to be derived from sums otherwise authorized to be appropriated to the Institute.]

***SEC. 9. AUTHORIZATION OF APPROPRIATIONS.***

*There are authorized to be appropriated to the Secretary to carry out this Act $12,000,000 for each of the fiscal years 2008 through 2012.*

* * * * * * *

## XIX. Committee Recommendations

On February 28, 2007, the Committee on Science and Technology favorably reported H.R. 1126, a bill to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988, by a voice vote, and recommended its enactment.

# XX. PROCEEDINGS OF THE FULL COMMITTEE MARKUP ON H.R. 1126, TO REAUTHORIZE THE STEEL AND ALUMINUM ENERGY CONSERVATION AND TECHNOLOGY COMPETITIVENESS ACT OF 1988

---

**WEDNESDAY, FEBRUARY 28, 2007**

House of Representatives,
Committee on Science and Technology,
*Washington, DC.*

The Committee met, pursuant to call, at 10:05 a.m., in Room 2318 of the Rayburn House Office Building, Hon. Bart Gordon [Chairman of the Committee] presiding.

Chairman Gordon. Good morning. The Committee on Science and Technology will come to order. Pursuant to notice, the Committee on Science and Technology meets to consider the following measures: H.R. 363, *Sowing the Seeds Through Science and Engineering Research Act;* H.R. 1068, *To amend the High-Performance Computing Act of 1991;* H.R. 1126, *To reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988;* and H.R. 85, the *Energy Technology Transfer.*

Today, we are here to mark up these four bipartisan bills. They are all good bills and I am happy to support them all. I want to note that all of these bills have extensive legislative histories in prior Congress. It is not my intention for this committee to regularly markup legislation that has not gone through the Subcommittee hearing process; however, as I noted before, these bills were fully vetted in the last Congress and they are ready to go.

I have said it before and I will say it again. I want this committee to be a Committee of good ideas. Here, we have four good ideas and I hope four bills everybody on this committee can get behind and support.

Now I recognize Mr. Hall to present his opening remarks.

Mr. Hall. Mr. Chairman, I thank you for calling the markup today. We have before us today, as you say, four bills that were passed by this Committee in the 109th Congress, and I look forward to their easy passage again today. The continued bipartisan support for these bills reflects their broad appeal and the fact that they are good bills and they are good for this country.

The National Academy of Science's *Rising Above the Gathering Storm* and the President's American Competitiveness Initiative have emphasized the importance of supporting high-risk research, young researchers, and research infrastructure in the U.S. to en-

sure that the next generation of high tech industries and products are developed in the United States.

H.R. 363 is a step in the right direction. I thank the Chairman for his willingness to work with us on improving this legislation, and recommend a yes vote for the manager's amendment and for the underlying measure.

As the Chairman has already mentioned, Mrs. Biggert has been instrumental in getting a high-performance computing bill through the Committee and the full House, for that matter, in two previous Congresses, and I certainly applaud her and Mr. Baird for their persistence. I recommend a yes vote on H.R. 1068 and trust the Senate will follow suit when it is sent to them once again.

I am happy to see Mr. Lipinski and Mr. Ehlers continuing former Representative Hart's lead in their continuing effort to reauthorize the *Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.* This is another bill that has been passed twice by our committee in the full House, and I also recommend a yes vote for H.R. 1126.

I would also recommend a yes vote for Representative Biggert and Representative Miller's bill, H.R. 85, that will provide for the establishment of centers to encourage demonstration and commercial applications of advanced energy methods and technology. As I understand, they will be offering an amendment in the nature of a substitute that makes technical corrections, which I support as well.

Mr. Chairman, I look forward to these bills moving to the Floor. With that, I yield back the balance of my time.

[The prepared statement of Mr. Hall follows:]

PREPARED STATEMENT OF REPRESENTATIVE RALPH M. HALL

Mr. Chairman, thank you for calling this markup today. We have before us today four bills that were passed by this committee in the 109th Congress, and I look forward to their easy passage again today. The continued bipartisan support for these bills reflects their broad appeal and the fact that they are good bills that are good for the country.

The National Academy of Science's *Rising above the Gathering Storm* and the President's American Competitiveness Initiative (ACI) have emphasized the importance of supporting high-risk research, young researchers, and research infrastructure in the United States to ensure that the next generation of high-tech industries and products are developed in the United States. H.R. 363 is a step in the right direction. This bill authorizes programs at the National Science Foundation (NSF) and the Department of Energy (DOE) Office of Science to provide grants to researchers just starting their careers to conduct high-risk, high-return research at the cutting edge of new scientific fields. In addition, it requires NIST to report to us on their efforts to recruit and retain young scientists and engineers, and it includes our recognition that NASA should be at the table for any interagency efforts to promote innovation and economic competitiveness. I thank the Chairman for his willingness to work with us on improving this legislation and recommend a "yes" vote for the managers' amendment and for the underlying measure.

As the Chairman has already mentioned, Mrs. Biggert has been instrumental in getting this bill through the Committee, and the full House for that matter, in two previous Congresses, and I applaud her and Mr. Baird for their persistence. I recommend a "yes" vote on H.R. 1068 and trust the Senate will follow suit when it is sent to them once again.

I am happy to see Mr. Lipinski and Mr. Ehlers continuing former Representative Hart's lead in their continuing effort to reauthorize the *Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.* This is another bill that has been passed twice by our committee, and the full House and I also recommend a "yes" vote for H.R. 1126.

I would also recommend a "yes" vote for Rep. Biggert and Rep. Miller's bill, H.R. 85 that will provide for the establishment of centers to encourage demonstration

and commercial application of advanced energy methods and technologies. I understand they will be offering an amendment in the nature of a substitute that makes technical corrections which I will support as well.

Mr. Chairman, I look forward to these bills moving to the floor and being passed. With that I yield back the balance of my time.

Chairman GORDON. Thank you, Mr. Hall.

Without objection, Members may place statements in the record.

[The prepared statement of Mr. Mitchell follows:]

PREPARED STATEMENT OF REPRESENTATIVE HARRY MITCHELL

Thank you, Mr. Chairman.

America needs innovators and leaders if it wants to remain competitive in the global economy. This is especially true when it comes to science and engineering.

Retaining scientists and engineers, however, is often difficult, because they receive such low pay early-on in their careers.

If we don't invest early in our future innovators, we will fall behind.

Spreading technological innovation across existing industry is another indispensable part of maintaining our competitiveness.

In my view, we should help businesses access both the technology and the research they need to modernize and improve their efficiency.

Industry standards can also play a role.

Today, we are considering four bills to address these issues and I look forward to working on them.

I yield back the balance of my time.

Chairman GORDON. With that introduction, Mr. Akin, we will now consider H.R. 1126, *To reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988,* and I yield to Mr. Lipinski five minutes to describe his bill.

Mr. LIPINSKI. Thank you, Mr. Chairman, for yielding, and thank you for scheduling this bill early in the session.

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—more easily known as the Metals Initiative.

I would also like to thank Representative Ehlers and Representative Akin for being co-sponsors in the introduction of the bill this year.

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 an 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 fro 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, the 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 to me. My father-in-law was a steel worker at Bethlehem Steel in Johnstown, Pennsylvania. He had this job for many years 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 competition from overseas is relentless. Reauthorization of this bill is essential to preserve American jobs, keep the customers of U.S. steel industry and other metal industry strong, and ensure the defense industry has a 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 in 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. Finkle and Sons.

Because of advances made in steel production, partially through programs funded through DOE, the steel industry as a whole used 28 percent less energy in 2004 to produce a ton of steel than it did in 1990.

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 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.

We passed this bill through the Science Committee in the last Congress. We also had it pass on the House Floor in the last Congress. Hopefully this year we can get it through the Committee, through the House, and we can work and get it done in the Senate this year also.

All Americans can benefit from a common sense program 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.

[The prepared statement of Mr. Lipinski follows:]

PREPARED STATEMENT OF REPRESENTATIVE DANIEL LIPINSKI

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. Finkle & Sons. Because of advances made in steel production, partially through the industry's partnership with DOE, the steel industry as a whole used 28 percent 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 percent weight savings and 50 percent 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.

Chairman GORDON. I recognize Mr. Hall to present any remarks on the bill.

Mr. HALL. Mr. Chairman, thank you, and I thank Mr. Akin. I am going to recognize him, pass my time on to him. I want to thank him for recommending the visit to the North Pole. I always wanted to go, but not much, so—I am more of an Equator man.

I yield to Mr. Akin my remaining time.

Mr. AKIN. Thank you. I appreciate that.

One of the problems with Codel's is your constituents sometimes think that you are getting a special deal, but when the paper printed that we had a beautiful, sunny day at the South Pole, it was 27 below zero with a 30 mile an hour wind. We didn't receive any criticism, so there is a benefit of staying away from the Equator.

On this—Mr. Lipinski's bill, 1126, there is just something in terms of the nature of aluminum, its being so tightly combined with oxygen or other different elements, and steel or iron are the

same way with oxygen, that it takes a tremendous amount of energy to refine and to pull metals away from those bonds. And so just by nature, this is a very energy-intensive process. And then further in the process of refining and getting the crystalline structure and the shape of the material the way you want uses a whole lot more energy.

So first of all, this is a place where there is a lot of potential savings for energy, and it is just a logical place for us to be making some investments. I can also say that my great-grandfather started a steel mill, which has since gone bankrupt. The steel industry has really been hammered in this country. It is very hard for them to be competitive, and the things that we can do to make steel competitive, they are good, solid jobs and a very important part of our infrastructure. So investing some money in research in order to save energy, to save jobs, and to clean the environment, all together it is just like a triple win.

So I just wanted to compliment what we are doing here, and I think that it is important to keep that point that if we do a good job on this and if we develop a technology that really works, that is going to be paid back by industry, so in a way it is an investment. So I think you have got a triple win piece of legislation for Vern and Mr.—Congressman Lipinski.

Thank you, Mr. Chair.

Chairman GORDON. Thank you.

Anyone else like to be recognized?

Mr. BAIRD. Mr. Chairman? Mr. Chairman, this side.

Chairman GORDON. Well, let me go to this side first if there is anybody here.

Mr. Gingrey.

Mr. GINGREY. Mr. Chairman, thank you. I just want to commend Representative Lipinski and Representative Akin in regard to this bill.

I was just reading in front of me kind of a summary of some of the things, but the development of technologies which reduce greenhouse gas emissions as an additional priority under the bill, this is in follow up to just two weeks ago when were talking about climate change and greenhouse gases and the importance of the issue of global warming. I do want to commend Dan Lipinski and Todd Akin on this bill. I think that we need to continue to go in this direction, Mr. Chairman.

As you know, I have a strong interest in the Green Chemistry bill that we had—you helped pass through the Committee last year, and it is all along that same line of trying to, with a little bit of money, and a public—as Representative Lipinski said—public private partnership to do things that in small increments, slowly but surely, we get to the point where we are reducing all this contamination and doing it in an efficient manner. I commend him for that.

I yield back my time, Mr. Chairman. Thank you.

Chairman GORDON. Does anyone else wish to be recognized?

If not, then I ask unanimous that the bill is considered as read and open to amendment at any point, and that the Members proceed with the amendments in the order of the roster. Without objection, so ordered.

Are there any amendments?

Hearing none, the vote is on the bill, H.R. 1126. All those in favor, say aye. All those opposed, say no. In the opinion of the Chair, the ayes have it.

I recognize Mr. Hall to offer a motion.

Mr. HALL. Mr. Chairman, I move that the Committee favorably report H.R. 1126 to the House with recommendation that the bill do pass.

Furthermore, I move that the staff be instructed to prepare the legislative report and make necessary technical and conforming changes, and that the Chairman take all necessary steps to bring the bill before the House for consideration.

I yield back.

Chairman GORDON. The question is on the motion to report the bill favorably. Those in favor of the motion will signify by saying aye. Opposed, no. The ayes have it. The bill is favorably reported.

Without objection, the motion is—to reconsider is on the table. I move that Members have two subsequent calendar days in which to submit supplemental, minority or additional views on the measure. I move pursuant to Clause I, Rule 22 of the Rules of the House of Representatives that the Committee authorize the Chairman to offer such motions as may be necessary in the House to adopt and pass H.R. 1126, *To reauthorize the Steel and Aluminum Energy Conservation and Technological Competitiveness Act of 1988*. Without objection, so ordered.

Let me finally say that these amendments—and I thank all of you for a smooth hearing, smooth markup. We went fairly quick today, but the reason is there was a lot of staff work put in before this, and I thank the staff for that. I thank the Members for their patience, and this is the conclusion of our Committee markup.

[Whereupon, at 11:08 a.m., the Committee was adjourned.]

# Appendix:

---

H.R. 1126, SECTION-BY-SECTION

I

110TH CONGRESS
1ST SESSION

# H. R. 1126

To reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.

---

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 16, 2007

Mr. LIPINSKI (for himself and Mr. EHLERS) introduced the following bill; which was referred to the Committee on Science and Technology

---

# A BILL

To reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. AMENDMENTS.**

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 9 of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5108) is amended to read as follows:

**"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

"There are authorized to be appropriated to the Secretary to carry out this Act $12,000,000 for each of the fiscal years 2008 through 2012.".

(b) STEEL PROJECT PRIORITIES.—Section 4(c)(1) of the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (15 U.S.C. 5103(c)(1)) is amended—

(1) in subparagraph (H), by striking "coatings for sheet steels" and inserting "sheet and bar steels"; and

(2) by adding at the end the following new subparagraph:

"(K) The development of technologies which reduce greenhouse gas emissions.".

(c) CONFORMING AMENDMENTS.—The Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 is further amended—

(1) by striking section 7 (15 U.S.C. 5106); and

(2) in section 8 (15 U.S.C. 5107), by inserting ", beginning with fiscal year 2008," after "close of each fiscal year".

○

H.R. 1126, SECTION-BY-SECTION

Section (1) replaces Section 9 of the *Steel and Aluminum, Conservation and Technology Competitiveness Act of 1988*. Subsection 1(a) authorizes $12 million for each of the fiscal years 2008 through 2012 to carry out the Act. Section 1(b) amends the priorities to be addressed under the Act by replacing "coatings for sheet steels" with "coatings for sheet and bar steels" and adds "the development of technologies which reduce greenhouse gas emissions" as an additional priority under the bill, bringing the total number of research priorities in the underlying act to eleven. Section 1(c) contains conforming amendments to other sections of the original Act.