



May 8, 2012

Domestic Armor Steel Plate Producers and Workers Support the Brooks-Critz-Ryan Amendment

On behalf of the domestic producers of armor steel plate, who supply the majority of armed services defense projects requiring armor plate, we write in strong support of the Brooks-Critz-Ryan amendment to the FY13 National Defense Authorization Act. The amendment seeks to restore the longstanding requirement that armor steel plate be melted domestically, a policy critical to the future viability of the armor plate industry and its workers, as well as to this nation's national defense.

As background, under the Specialty Metals Amendment, armor steel plate used for defense purposes must be "produced" in the United States. Beginning in 2008, however, the Department of Defense (DOD) sought to weaken this requirement by defining "produced," as it relates to armor steel plate, in such a way as to allow the product to be made with steel that is melted and rolled outside of the United States. The definition, which merely requires that simple finishing processes take place domestically, goes against over 35 years of administrative practice and is contrary to Congressional intent.

DOD's definition represents the endorsement of a business model for armor steel plate production that threatens the domestic industry, which is critical to the defense needs of our troops. By disregarding the "melt" stage, the approach allows capital and resource intensive processes to be conducted overseas—costing valuable U.S. manufacturing jobs and technologies—and allows those products to be brought back to the U.S. and considered "domestic." We are deeply concerned by the potential outsourcing of this critical industry.

This is a bipartisan issue and one which Congress—and in particular the House Armed Services Committee—has weighed in on numerous times. Report language accompanying the House's FY09 and FY10 defense authorization bills expressed concern that the definition was inconsistent with Congressional intent and with the law. Additionally, statutory language redefining "produced" to require melting was reported out of the Committee and passed by the House in 2010, during consideration of the FY11 NDAA. The Brooks-Critz-Ryan amendment is identical to that language.

Most recently, the FY11 National Defense Authorization Act (PL 111-383) included a provision requiring a review and, if necessary, revision of the existing regulation to ensure the definition's consistency with the law and with Congressional intent. That review was required to be completed within 270 days of enactment—unfortunately, 7 months later, DOD has not yet acted. We applaud Congressmen Brooks, Critz, and Ryan for their ongoing support of the domestic armor plate industry and for their efforts to correct a flawed regulation which the Department of Defense has not seen fit to correct on its own.

On behalf of the domestic armor plate industry and its workers, and in recognition of the absolutely critical importance of this industry to our national security, we urge adoption of the Brooks-Critz-Ryan amendment to the FY13 National Defense Authorization Act. This amendment will ensure a return to the longstanding definition of "produced," which requires at a minimum melting in the United States, and will do much to ensure a healthy domestic armor plate industry for years to come.

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