

RICHARD E. NEAL
FIRST DISTRICT, MASSACHUSETTS



RANKING MEMBER
COMMITTEE ON WAYS AND MEANS

DEAN
MASSACHUSETTS AND
NEW ENGLAND CONGRESSIONAL
DELEGATIONS

DEMOCRATIC LEADER
FRIENDS OF IRELAND CAUCUS

Congress of the United States
House of Representatives
Washington, DC 20515

September 26, 2018

The Honorable Robert E. Lighthizer
Office of the United States Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Dear Ambassador Lighthizer,

It was good to speak with you earlier this week about the implications of recent tariffs on the CRRC-MA rail manufacturing company that has a state-of-the-art facility in my hometown of Springfield, Massachusetts. CRRC-MA is a subsidiary of CRRC, the world largest railway transportation equipment and service provider that supplies products and services to more than 100 countries across the globe. CRRC-MA has won competitively bid contracts to build rail cars in Boston, Philadelphia and Los Angeles and is pursuing other active procurements. The vehicles meet and exceed all provisions of the Buy American legislation. These competitive offerings have saved millions in taxpayer dollars.

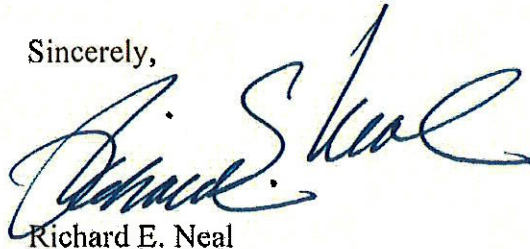
As a result, I would strongly urge you to exempt CRRC-MA from the recently imposed 25% tariff on rolling stock components that are essential to the manufacturing of rail cars. The imposition of these new tariffs will significantly increase CRRC-MA's cost to manufacture rail cars, unfairly burden our public transit agencies, and raise fares for millions of Americans who depend upon public transportation each day.

CRRC-MA has invested \$95 million in western Massachusetts to build rail cars that will service the transportation needs of communities throughout the United States. The company employs roughly 150 skilled local workers on a 40 acre site allowing for future expansion. CRRC-MA plans to fill additional positions this year and more in the future to stay in line with production needs. By 2021, the manufacturing plant will be at peak capacity with continuous work throughout 2016. With no U.S. manufacturer of rail cars, the company is training its employees to compete in the international rail market in an effort to improve and modernize America's transportation infrastructure.

Considering CRRC-MA's investment in the United States and its record of economic development and job creation, I respectfully ask that you give strong consideration to their application for an exclusion waiver. It is my understanding that the company is currently in the process of preparing their waiver package which will be submitted before the October 9, 2018 deadline. These increased tariffs will have a negative financial impact on CRRC-MA, its

operations in Springfield, MA and to the public transit agencies who have already executed contracts with the company. I appreciate your personal interest in this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard E. Neal". The signature is fluid and cursive, with a large initial "R" and "N".

Richard E. Neal
Member of Congress



THE CITY OF SPRINGFIELD, MASSACHUSETTS

MAYOR DOMENIC J. SARNO

HOME OF THE BASKETBALL HALL OF FAME

September 14, 2018

The Honorable Robert Lighthizer,
United Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Public Comment Concerning Proposed Action Pursuant to Section 301;
China's Acts; Policies, and Practices Related to Technology Transfer;
Intellectual Property and Innovation

Docket No. USTR-2018-0005

Dear Ambassador Lighthizer:

I want to comment on the Trump Administration's Section 301 investigation into the acts, policies and practices of the Government of China as it relates to technology transfer, intellectual property and innovation. Springfield, Massachusetts is home to the world's largest rail car company, CRRC, which recently invested \$95 million in a new facility that opened in 2018 and is now producing rail cars, employing 150 in our City with the average salary of \$65,000.

It is CRRC's first North American facility and its success is critical to our city and region's economy, bringing back manufacturing and skilled labor to our city. That success is tied not only to the production and jobs created by CRRC, but the supply chain of smaller local businesses that are feeding the facility and creating good paying jobs for our residents.

We applaud the President's pledge to addressing unfair trade practices faced by American businesses. However, we are writing today to express our concern that certain items proposed for tariffs in response to these practices would increase the cost of CRRC's rail cars which would eventually affect the publicly funded projects and penalize the taxpayers. Specifically, we are concerned that a number of rail cars and

bus related goods from Chapter 86 of the Harmonized Tariff Schedule (HTS) will severely undermine the nation's plans for expansion and moderation of its public mass transit.

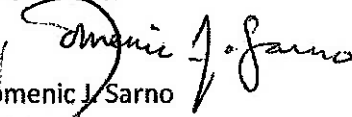
At this time CRRC has contracts with the Massachusetts Bay Transit Authority (MBTA) and the Los Angeles County Metropolitan Transportation Authority (Metro). These contracts are expected to last for the next five years. The Office of the US Trade Representative's (USTR) proposes tariff action will have an adverse effect on the cost of these rail cars and our local economy.

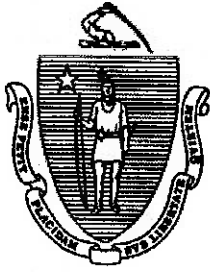
It is our understanding that USTR's stated objective in the proposed action is to diminish Chinese sponsored acts that harm and deprive US companies from competing in a fair and open market. The application of a tariff on rail cars will not accomplish that goal as there are no U.S. manufacturers of light and heavy rail transit vehicles. All Transit Vehicle Manufacturers are foreign owned. Also, the FAST Act requires all federally funded projects to meet "Buy America" requirement that dictate a minimum value of U.S. manufactured products, components and systems content in each rail car. As an example, CRRC has committed to Los Angeles Metro's contract to use 70% of US-manufactured components and systems in each rail car. CRRC has also committed to performing the final assembly of Metro's vehicles in Massachusetts.

Springfield's objection based on the potential harm the proposed tariffs will have to our local economy is not unique to Western Massachusetts. On behalf of the City of Springfield and a clear appreciation that the taxpayers are funding a portion of funding of the rail cars I urge USTR to remove these rail cars and bus related goods from the list of products that will be subject to 301 tariffs.

If you have any questions regarding this important topic, please do not hesitate to contact me at (413) 787-6100.

Respectfully,


Domenic J. Sarno
Mayor



The Commonwealth of Massachusetts
MASSACHUSETTS SENATE

SENATOR ERIC P. LESSER
First Hampden and Hampshire District

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ERIC.LESSER@MASENATE.GOV
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Chairman
ECONOMIC DEVELOPMENT AND
EMERGING TECHNOLOGIES
Vice Chairman
FINANCIAL SERVICES

DISTRICT OFFICE:
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TEL: (413) 526-6501

September 25, 2018

The Honorable Robert E. Lighthizer
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Subject: Public Comment Concerning Proposed Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation ("Proposed Action")

Re: Docket No. USTR-2018-0005

Dear Ambassador Lighthizer,

I am writing in response to an action by your office that threatens the jobs of more than 100 workers in my community and the mass transit systems they support across our country. Effective July 6, 2018, your office imposed an additional tariff of 25 percent on certain products imported from China, including rolling stock components that are essential to manufacturing rail cars.

These tariffs substantially increase production costs for China Railway Rolling Stock Corporation (CRRC), a railcar manufacturer that opened a \$95 million factory this year in the Massachusetts Senate district I represent. This factory employs 120 workers, with plans to hire 20 more by the end of the year.

These are good, high-paying manufacturing jobs with an average salary of \$65,000 — the kind of job that enables a worker to raise a family, and the kind of work that we both want to see return to our former manufacturing centers across America.

CRRC already has contracts to build rail cars for the transit systems in Boston, Chicago, Philadelphia, and Los Angeles. The company expects these contracts to provide work through 2025. But these tariffs threaten the production schedules of these major infrastructure projects, creating uncertainty for both the projects themselves and the employees working to complete them.

Moreover, these tariffs are a direct cost to the manufacturer — a cost that is passed onto our taxpayers, who fund our public transportation systems. In other words, these tariffs are essentially a tax on commuters who live in some of our country's largest metropolitan areas and use these transit systems in their daily lives.

CRRC has filed a request with your office for tariff exemptions on more than 100 items they need to complete railcar contracts, and I am urging you to approve this request in the interest of the 120 workers in my community and the millions of mass transit riders who rely on our transportation systems.

It is worth noting that we do not, at this time, have an alternative supplier as effective and efficient as CRRC. CRRC is the world's largest supplier of rail transit equipment, according to an August 29 [article](#) in *The Washington Post*.¹ The company, although based in China, is making our railcars because there are no U.S. companies that manufacture railcars. In addition, CRRC competed fairly for the contracts, outbidding its fellow foreign manufacturers,² making CRRC the most cost-effective option for our taxpayers. Furthermore, railcar manufacturers are subject to "Buy America" requirements, meaning that they have to source much of their own building materials from U.S. suppliers, supporting more American jobs in the process. We are gaining, not losing, in our partnership with CRRC.

These tariffs are an unfair penalty on a company that is creating jobs in my Senate district, and I hope your office will take the necessary actions to exempt CRRC from these punishing tariffs.

Please do not hesitate to contact my office for further information regarding this matter.

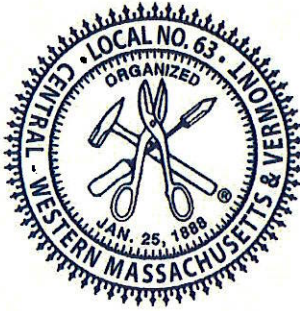
Sincerely,



Senator Eric P. Lesser
First Hampden and Hampshire District

¹ Isaac Stone Fish, "How a restriction on Chinese-made subway cars makes life harder for commuters" in *The Washington Post*, Aug. 29, 2018.

² Jason Margolis, "Bostonians will soon ride on Chinese and American-built subway cars," in *PRI*, July 19, 2016.



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September 27, 2018

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Public Comments concerning Section 301; Tariffs and CRRC
Docket No. USTR-2018-0005

Dear Ambassador Lighthizer:

We commend the President's commitment to dealing with the unfair trade practices faced by business in the US. Nonetheless, we are compelled to voice our concern that a number of items proposed for tariffs to address the situation would actually *cost good paying American jobs for which we have fought hard and long*. The tariffs serve to severely undermine the immense benefits that CRRC has brought and investments it has made in our community, a community that has suffered enormous loss of industry over the years. We are most concerned with including a number of rail car and bus related goods in Chapter 86 of the Harmonized Tariff Schedule (HTS), which will destroy the hopes that our region has had since CRRC built its facility in Springfield.

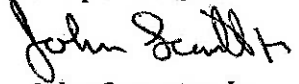
The trains we are building will bring modernized rail cars to the Boston and Greater Boston area, where the first subway trains in the nation was launched. The Office of the US Trades Representative's ("USTR") proposed tariff action would most directly affect the cost of the rail cars. And, undoubtedly, the increased cost will be borne by taxpayers. Not by the Chinese.

As we understand it, the stated objective of the USTR is to weaken Chinese sponsored acts that harm and deprive US companies from competing in a fair and open market. But the application of these tariffs will in no way accomplish that goal, as there are no US manufacturers of Light and Heavy Rail Transit Vehicles in the US. Indeed, all Transit Vehicle Manufactures (TVM) are foreign owned. Moreover, the FAST ACT requires that federal funded projects meet Buy America requirements that dictate a minimum value of 70% of US-manufactured components and systems in each rail car. And, CRRC has committed to performing the final assembly of vehicles in Boston, Massachusetts.

In part because of CRRC's investment, Springfield could be a hub of investment and growth for the first time in generations. And, we, American workers, could end up building train cars for cities across the country, and beyond. We are

proud of that. And proud of the men and women working on these train cars. It would be a tragedy to have the tariff policy backfire, and Congress's efforts to curtail rail manufacturing by CRRC derail the hopes and promises of our community. And we ask for your help in correcting this policy for the sake of the American worker and the Springfield Area. Thank you.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "John Scavotto, Jr.", written in a cursive style.

John Scavotto, Jr.
Business Manager
SMART, Local 63
Springfield, MA 01104



*The
Commonwealth of
Massachusetts*

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133-1054

JOSE F. TOSADO
STATE REPRESENTATIVE
NINTH HAMPDEN DISTRICT

STATE HOUSE ROOM 443
TEL: (617) 722.2460

Committees:
Redistricting
Financial Services
Mental Health and Substance Abuse
Consumer Protection and Professional Licensure

DISTRICT OFFICE
640 Page Boulevard, Suite 108
Springfield, MA 01104
TEL: (413) 788.0683
Jose.Tosado@MAhouse.gov

September 21, 2018

The Honorable Robert Lighthizer
United Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Public Comment Concerning Proposed Action Pursuant to Section 301:
China's Acts; and Practices Related to Technology Transfer; Intellectual
Property; and Innovation

Docket No: USTR-2018-0005

Dear Ambassador Lighthizer:

I write in support of CRRC MA Corporation (CRRC) application for an exclusion waiver from items on the tariffs list. As the State Representative of the Ninth Hampden district in which CRRC resides I've witnessed first-hand the extraordinary impact of economic development and growth this corporation has contributed to the city of Springfield's economy.

CRRC MA facility is comprised of a 204,000 square-foot rail car manufacturing facility on a 40-acre site allowing for future expansion. The investment of over \$95 million as a state-of-the art manufacturer in Springfield and the creation of hundreds of well-paying jobs in Springfield serves as a catalyst for additional underwritings. In addition, has met or exceeded all provisions of the Buy America Legislation.

CRRC MA's impeccable work history, ethics and operational practices speaks volumes. It's presence in our community has increased our city's revitalization mission. CRRC MA is the world's leading Railway

Transportation Equipment and Service Provider. The CRRC MA, established in 2014, is nationally known as the first North American Company with headquarters in our city's capital, Boston, Massachusetts.

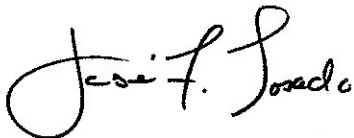
Like many stake holders, I too am concerned that including several of the rail car and bus related goods from chapter 86 of the Harmonized Tariff Schedule (HTS) will harshly impact CRRC's manufacturing operations. In which as a member of our community will result to a grave effect on the Commonwealth of Massachusetts.

I value CRRC MA's well-being and its shared community investments. Therefore, it is without hesitation or reservation, that I wholeheartedly, ask for your consideration to support in favor of their application for an exclusion waiver.

If I can be of further assistance regarding CRRC MA, please feel free to contact me at the number displayed on this letter.

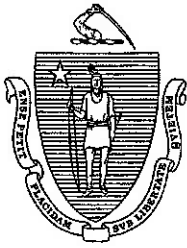
I thank you in advance for your time and your most kind decision.

Respectfully,

A handwritten signature in black ink that reads "Jose F. Tosado". The signature is written in a cursive style with a large, looping initial "J".

Jose F. Tosado
State Representative

/ms



The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133-1054

CARLOS GONZALEZ
STATE REPRESENTATIVE
10TH HAMPDEN DISTRICT

Committees:
Joint Ways and Means
House Ways and Means
Global Warming and
Climate Change
Technology and
Intergovernmental Affairs
Community Development and
Small Business

STATE HOUSE, ROOM 26
TEL. (617) 722-2080
Carlos.Gonzalez@MAhouse.gov

September 27th 2018

The Honorable Robert Lighthizer
United Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Public Comment Concerning Proposed Action Pursuant to Section 301;
China's Acts; Policies, and Practices Related to Technology Transfer;
Intellectual Property and Innovation

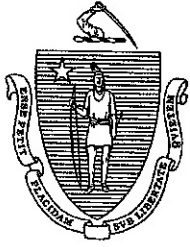
Docket No. USTR-2018-0005

Dear Ambassador Lighthizer:

I write in support of CRRC MA's application to receive an exclusion waiver for items on the tariff's list. As of July 6th 2018, the United States Trade Representative (USTR) imposed a tariff of 25% on rolling stock components, which are vital for manufacturing rail cars. These new tariffs will increase the cost of supply to rail car vehicles, which will increase the costs for public transit for our constituents.

The presence of CRRC in Springfield has resulted in manufacturing jobs for members of our community and has played a significant role in the revitalization of our economy. CRRC has established a \$95 million manufacturing facility in Springfield to produce rail cars, which employs over 150 residents of the community with an average salary of \$65,000. This is the first North American facility by CRRC and has had a positive impact on the local economy.

Since there are no U.S. manufacturers of Light and Heavy Rail Transit Vehicles, the USTR's objective to deter Chinese-sponsored acts that harm and deprive U.S. companies will not be applicable in this regard. Furthermore, the Series 7000 railcars, which includes CRRC is federally funded by the U.S. Department of Transportation's Federal Transit Authority (FTA), thus imposing tariffs on vital components for manufacturing rail cars could negatively impact our taxpayers.



The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133-1054

CARLOS GONZALEZ
STATE REPRESENTATIVE
10TH HAMPDEN DISTRICT

Committees:
Joint Ways and Means
House Ways and Means
Global Warming and
Climate Change
Technology and
Intergovernmental Affairs
Community Development and
Small Business

STATE HOUSE, ROOM 26
TEL. (617) 722-2080
Carlos.Gonzalez@MAhouse.gov

There is an economic resurgence occurring in the city of Springfield, and CRRC MA's Manufacturing Facility is one of Springfield's \$2.5 billion economic development projects. They have been contractually committed to the Buy America requirements from the FAST Act and have exceeded expectations. Additionally, they have been strong corporate citizens to our community and we value their economic and philanthropic contributions to Springfield.

I respectfully urge you to accept the application for an exclusion waiver from CRRC MA. If you have any questions regarding this important topic, please do not hesitate to contact me at (617) 722-2080.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carlos Gonzalez".

Carlos Gonzalez
State Representative
10th Hampden District



The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES
STATE HOUSE, BOSTON 02133-1054

ANGELO J. PUPPOLO, JR.
REPRESENTATIVE

12TH HAMPDEN DISTRICT
SPRINGFIELD • WILBRAHAM • EAST LONGMEADOW

2341 BOSTON ROAD, SUITE 204
WILBRAHAM, MA 01095
TEL. (413) 596-4333

CHAIRMAN
HOUSE COMMITTEE ON TECHNOLOGY
AND INTERGOVERNMENTAL AFFAIRS

ROOM 122, STATE HOUSE
BOSTON, MA 02133-1054
TEL: (617) 722-2006
Angelo.Puppolo@MAhouse.gov

September 20, 2018

The Honorable Robert E. Lighthizer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street, N.W.
Washington, DC 20508

Subject: Public Comment Concerning Proposed Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Reference: Docket No. USTR-2018-005

Dear Ambassador Lighthizer,

I write to you today regarding the Section 301 investigation into China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. I write specifically to express my strong support for CRRC MA's application for an exclusion waiver from items on the new tariffs list. CRRC MA operates a 204,000 square-foot rail car manufacturing facility in Springfield, Massachusetts, a \$95 million investment in the community I live in and represent in the Massachusetts House of Representatives. This facility has created new jobs and serves as a catalyst for additional investment and economic development in Springfield, but this could be at risk if new tariffs limit CRRC MA's ability to grow.

While I understand President Trump's efforts to address unfair trade practices faced by American businesses, these increased tariffs will have a significant negative financial impact on CRRC MA, its operations in Springfield, and potentially on the public transit agencies who have already executed contracts with CRRC MA. In addition, this will result in additional costs to the riders and, ultimately, the taxpayers who fund the public transit agencies.

It is my understanding that USTR's stated objective is to diminish Chinese sponsored acts that harm and deprive U.S. companies from competing in a fair and open market. The application of a tariff will not accomplish that goal in this case because there are no U.S. manufacturers of light and heavy rail transit vehicles; they are all foreign-owned. In addition, the FAST Act requires all

federally funded projects to meet "Buy America" requirements that dictate a minimum value of U.S. manufactured products, components, and system content in each rail car.

I urge you to accept the application for an exclusion waiver from CRRC MA and remove these rail car and bus related goods from the list of products that will be subject to Section 301 tariffs. Doing so will allow CRRC MA to build on its significant investment in the United States and its commitment to American cities and American workers.

If you have any questions regarding this matter, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angelo J. Puppolo, Jr.", with a long horizontal flourish extending to the right.

ANGELO J. PUPPOLO, JR.
State Representative



**HAMPDEN COUNTY
WORKFORCE BOARD, Inc.**

August 13, 2018

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

**Subject: Public Comment Concerning Proposed Action Pursuant to
Section 301: China's Acts, Policies, and Practices Related to
Technology Transfer, Intellectual Property, and Innovation**

Reference: Docket No. USTR-2018-0005

Dear Ambassador Lighthizer:

Mass Hire Hampden County Workforce Board, Inc. (MHHCWB) is the state designated, WIOA funded workforce board for Hampden County, Massachusetts with a corporate location in Springfield, MA, the national manufacturing headquarters of CRRC MA Corporation (CRRC). The presence of CRRC in Springfield has resulted in significant job creation for our residents many of whom represent minority and low income populations, and is contributing to the on-going economic resurgence in the western part of Massachusetts.

MHHCWB appreciates President Trump's commitment to addressing unfair trade practices faced by US businesses. However, we write today to express our concern that certain items proposed for tariffs in response to these practices would result in extensive cost transfer to riders, companies providing goods and services to the manufacturing operations, and ultimately will negatively impact long-term job creation. This is not good business and not good public policy.

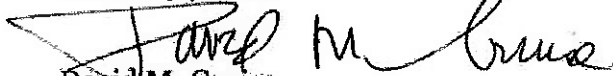
We are concerned that including a number of rail car and bus related goods from Chapter 86 of the Harmonized Tariff Schedule ("HTS") will severely impact CRRC's manufacturing operations. We urge your office to remove these HTS codes from the list of items proposed for tariffs.

It is our understanding that USTR's stated objective in the Proposed Action is to diminish Chinese sponsored acts that harm and deprive US companies from competing in a fair and open market. The application of a tariff will not accomplish that goal, as there are no U.S. manufacturers of Light and Heavy Rail Transit Vehicles. All Transit Vehicle Manufacturers (TVM) are foreign owned. Furthermore, the FAST ACT requires all federally funded projects to meet Buy America requirements that dictate a minimum value of US manufactured products, components and system content in each rail car.

On behalf of Mass Hire Hampden County Workforce Board, Inc., I urge USTR to remove these rail car and bus related goods from the list of products that would be subject to Section 301 tariffs.

Thank you for allowing me to share our thoughts on this important job creation and economic development matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "David M. Cruise". The signature is written in a cursive style with a large, stylized initial "D".

David M. Cruise
President & CEO



**Memorandum of Agreement
Between the
Regional Employment Board of Hampden County Inc.
And
CRRC MA Corporation**

I. Purpose of This Memorandum

This **Memorandum of Agreement (MOA)**, signed on **March 25, 2016**, articulates agreements creating a sustainable working relationship between the **Regional Employment Board of Hampden County Inc. ("REB")** and **CRRC MA Corporation ("CRRC")**. This Agreement will result in implementing collaborative work tasks to assist CRRC MA Corporation to outreach, recruit, and hire a qualified and appropriately sized workforce for its manufacturing facility in Springfield, Massachusetts.

II. Term

This Memorandum of Agreement will be in effect from **March 25, 2016 to June 30, 2019**. The Memorandum of Agreement and will be reviewed no later than May 1, 2017 for the purpose of possible modifications and revisions.

III. Statements of Agreement

Regional Employment Board of Hampden County Inc. Agrees to the Following:

1. Assign a Single Point of Contact (SPOC) to work with the CRRC Human Resources Director to facilitate and coordinate the applicant recruitment and hiring process.
2. Develop with CRRC an applicant flow system that will ensure uniformity in processing applications for career employment positions at CRRC.
3. Utilize FutureWorks Career Center in Springfield as the central clearinghouse for receiving and processing applications for employment positions at CRRC, and oversee the planning and deployment of FutureWorks resources and services.
4. Coordinate and facilitate CRRC's education, outreach, and recruitment activities with Springfield-based and other regional community based organizations to ensure an equitable and accessible applicant flow process.
5. Collaborate with CRRC Human Resources Director to plan and execute on-going advertising and outreach promotions to recruit applicants for career employment positions at CRRC.
6. Coordinate with the Business Representatives of selected local building trades unions to facilitate recruitment of union members for employment positions at CRRC.
7. Coordinate the design and implementation of all pre-apprentice and apprenticeship training programs with local building trades unions to ensure an adequate supply of skilled craftspeople for technical positions at CRRC.

8. Develop and implement a process to recruit graduates from regional institutions of higher education for career employment positions at CRRC, with a particular focus on engineering and middle skills technical positions.
9. Connect CRRC Manufacturing and Quality Assurance Department Managers with faculty researchers from regional institutions of higher education and research centers to discuss new technology innovation that may inform process optimization on the CRRC shop floor.
10. Coordinate the recruitment of graduates from Roger L. Putnam Vocational Technical Academy and the School of Engineering Technologies at Springfield Technical Community College for middle skills and production level career employment positions at CRRC.
11. Work with the CRRC Human Resources Department to develop Cooperative Education/Internships opportunities for secondary and post-secondary school students that expose the students to future career opportunities at CRRC following graduation.

CRRC Agrees to the Following:

1. Assign a Single Point of Contact (SPOC) to work with the REB to facilitate and coordinate the applicant recruitment and hiring process, and other agreements covered in this MOA.
2. Work with the REB to design an acceptable applicant flow system that will ensure uniformity for processing applications for career employment positions at CRRC.
3. Provide job descriptions and related job classification information on all employment positions at CRRC with which the REB will be directly involved.
4. Work with the REB to develop digital and paper informational collateral and employment application material to be used in the outreach, recruitment, and selection process.
5. If needed, provide desk and computer access at CRRC for SPOC to use at certain times during the outreach, recruitment, and selection process.

The Parties to this Memorandum of Agreement Agree to the Following:

1. Work in a spirit of collaboration, mutual support and trust, and maintain open and honest communication.
2. Utilize each organizations web site to facilitate communications and information exchange on the progress of the project, and to communicate mutually beneficial information that will strengthen the agreements set forth in this MOA.
3. Develop a strategy for publicizing progress in implementing the project deliverables, and share credit in any communication or correspondence related to implementing the agreements set forth in this MOA.

IV. General Terms and Conditions

The terms and conditions of this MOA may be revised or modified at any time during the term of the MOA, upon written consent of the parties. The parties agree to review this MOA beginning no later than May 1, 2017, and to make modifications to its terms, if necessary, to insure the sustainability of the agreements going forward.

V. Signatures

CRRC MA Corporation

Zhan Yuzhou

Regional Employment Board of Hampden County, Inc.

James M. Bruno



264 Exchange Street
Chicopee, MA 01013
413.594.2101
chicopeechamber.org

September 24, 2018

The Honorable Robert Lighthizer
United Trade Representative
600 17th Street NW
Washington, DC 20508

Subject: Public Comment Concerning Proposed Action Pursuant to Section 301; China's Acts, Policies and Practices Related to Technology Transfer, Intellectual Property and Innovation

Dear Ambassador Lighthizer,

The Greater Chicopee Chamber of Commerce serves more than three hundred businesses in Western Massachusetts, including CRRC MA Corporation in neighboring Springfield. In the last year, CRRC, the world's largest rail car company, has turned a large area of blight abutting a major traffic corridor into a \$95 million state of the art facility that employs hundreds. CRRC employs local residents and pays an average of \$65,000. Their efforts to bring manufacturing and skilled labor back to our area have had a critical impact on our economy: the small business supply chain, the colleges and training programs that staff the facility, the purchases of well-paid employees, the organizations which benefit from their philanthropy and more.

Though we understand the concept of addressing unfair trade practices faced by American businesses, certain items in the proposed tariffs (in this case, Section 301 of the Trade Act and Chapter 86 of the Harmonized Tariff Schedule) would, in fact, increase the cost of CRRC's rail cars. Instead of directly impacting the intended target of the tariffs, it is public transit users, employees of CRRC, publicly funded projects and eventually taxpayers that will bear the burden. It will also severely undermine our nation's plans for expanded mass transit.

In its most recent contract, with the Los Angeles County Metropolitan Transportation Authority, CRRC agreed to not only meet federal Buy America requirements, but also to use 70% U.S.-manufactured components and complete final assembly here in Western Massachusetts. This, coupled with the fact that there are no U.S.

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manufacturers of light and heavy rail transit vehicles, shows that these tariffs imposed on CRRC will not accomplish the USTR's stated objective to diminish Chinese sponsored acts that harm and deprive U.S. companies from competing in a fair and open market. Rather, it will negatively impact an ongoing economic resurgence in our region.

Therefore, the Greater Chicopee Chamber urges USTR to accept an exclusion waiver from CRRC for the continued benefit of our local and regional economy.

Thank you for your time and consideration.

Sincerely,



Jessica Roncarati-Howe
President



**Urban League of
Springfield**

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Changing Lives.*

September 27, 2018

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JOHN DAVIS

The Honorable Robert E. Lighthizer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street, N.W. Washington, DC 20508

Re: CRRC request for tariff list Exclusion Waiver

Dear Ambassador Lighthizer:

The Urban League of Springfield strongly supports the requested tariff list exclusions by CRRC MA Corporation. With respect to CRRC's below-listed body of work, CRRC MA has established itself as a key community partner and a critically important component of recent Western Massachusetts economic development successes.

Here in Western Massachusetts (Springfield, MA in particular), we have collectively labored for over a decade to spark economic growth and create quality workforce development opportunities. We look to companies like CRRC MA to bring much needed jobs on line and serve as catalysts for overall regional growth and development.

While we understand the critical importance of establishing controls with respect to trade practices, particularly where China is concerned, we are confident there are alternative remedies that don't pose such a harsh impact on our local economy.

In recent years, we have made great economic strides, however, the collateral effect of certain tariffs would likely result in CRRC MA constraints, potentially limiting the company's ability to grow and develop a productive local workforce. We do not want to experience a contraction of our recent economic expansion, potentially eradicating nascent benefits.

CRRC MA Corporation

- CRRC is the world's leading Railway Transportation Equipment and Service Provider and has been in this sector since 1881 supplying products and services for 102 countries and regions.
- CRRC MA, established in 2014, is CRRC's first North American Company with headquarters located in Boston, Massachusetts.
- CRRC MA has won competitively bid contracts in Boston, Los Angeles, and Philadelphia, and is pursuing other active procurements.
- CRRC MA has established two manufacturing facilities in the U.S. including a \$95M investment in Springfield, Massachusetts, and another \$40M investment in Los Angeles.

CRRC MA Manufacturing Facility – North American Hub

- Facility comprised of a 204,000 square-foot rail car manufacturing facility on a 40 acre site allowing for future expansion.
- Excluding construction, janitorial and security, the Massachusetts workforce will be the recipient of approximately \$90,000,000.00 in wages for CRRC MA Springfield and Boston locations over the first 7 years of operation. Further CRRC MA's intention is to retain all of these positions after the MBTA order is complete. This workforce will be involved in final assembly of future US and North American rail projects.
- CRRC MA's facility is complete and operational with assembly underway of subway cars for

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Boston's Massachusetts Bay Transportation System (MBTA).

- CRRC MA has met or exceeded all provisions of the Buy America Legislation.

Other Projects

- Log Angeles County Metropolitan Transportation Authority (LACMTA). CRRC MA is designing and manufacturing under the base contract 64 subway rail cars with an option for additional 218 vehicles.
- CRRC MA has secured a 41,218 sq. ft. assembly plant in the Los Angeles area for general assembly of several key systems including propulsion, lighting, and HVAC. Not only will this facility provide equipment for the LA project, but also, will furnish equipment for future North American projects.
- Total committed investment (wages and benefits + manufacturing equipment and renovations of the facility and facility purchase equates nearly \$40m which will also be utilized by its suppliers).
- CRRC MA has contractually committed to a content value of 65% of U.S.-manufactured components and systems in each rail car pursuant to the FAST Act to meet Buy America requirements.
- Southeastern Pennsylvania Transportation Authority (SEPTA). CRRC MA is designing and manufacturing 45 double deck commuter rail vehicles with one of its affiliated companies. These vehicles and all future North American rail car contracts will be assembled in Springfield, Ma.

Springfield, Massachusetts/Regional Impact

- CRRC MA currently employs 170 full-time employees with 51 production employees belonging to local unions.
- CRRC MA will fill additional positions this year and more in the following years to stay in line with production needs.
- CRRC MA continues to work with local partners on the development of its workforce including: Springfield Technical Community College, Western New England College, Regional Employment Board, The Urban League, Putnam High School, FutureWorks, Veterans Inc., and Local Unions 7 & 63.
- Projects with the MBTA, Los Angeles Metro and Philadelphia SEPTA, along with an opportunity in Atlanta will allow manufacturing work to continue in Springfield.
- By 2021, CRRC MA's Manufacturing Facility will be at peak capacity with continuous work throughout 2026.
- In addition to locating its North American manufacturing hub in Springfield, Ma, CRRC MA continues to identify and build partnerships locally to trigger and maintain investments in the economy. From hosting trade fairs to sponsorships to participating in community events, CRRC MA remains committed to being a significant thread in the fabric of Western Massachusetts.
- CRRC MA's Manufacturing Facility is one of Springfield's \$2.5 billion economic development projects embraced by the City.

Technology Transfer and Training

- Spring 2017, CRRC MA sent 23 union members, several engineers, and production supervisors to CRRC's manufacturing facility located in Changchun, Jilin Province for a 3 – month rail car manufacturing training and technology transfer program. The team of skilled U.S. workers gained firsthand knowledge and invaluable skills that will be put into practice to assemble rail cars at CRRC MA's Manufacturing Facility located in Springfield, Massachusetts, and to teach future employees the intricacies of rail car manufacturing.
- Continuing development of our workforce will involve a continuous stream of U.S. teams to China to learn the latest innovations, practices and procedures to then transfer these technologies to their peers at the Springfield Facility. This same model is utilized for our engineering team based in our Research and Development Department in Boston.



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Director Emeritus
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- This transfer of roughly 100 years of rail car manufacturing experience will enable U.S. workers in Springfield to compete in the international rail car market for generations.
- While CRRC MA understands the importance of intellectual property (IP), the corporation's current manufacturing model utilizes none of the IP practices of concern to the USTR.

CRRC MA's Successes

- August 2018, CRRC MA won ENR Best Manufacturing Project for New England. Chosen by four industry judges who reviewed and discussed 36 projects located throughout the New England region, CRRC MA was evaluated on the ability to overcome challenges, contribute to the industry and community, and safety and construction and design quality.
- July 2018, CRRC MA has been selected as a finalist for the Annual Team Massachusetts Economic Impact Awards for the expansion of the corporation's operations in Springfield. The Team Massachusetts Economic Impact Awards have been presented since 2003 to honor companies that have made a significant impact on the Massachusetts economy. Past honorees have included Kronos, ThermoFisher, GE Healthcare, Shire, TripAdvisor, Clarks, and Autodesk, among others. Last year's awards luncheon attracted over 400 attendees from throughout the state, with Governor Charles Baker as keynote speaker.
- June 2018, CRRC MA became a qualified car builder for New York City Transit participating in a stringent 3-year process requiring the design and manufacturing of products in accordance with New York City Transit (NYCT) technical requirements. Chosen as one of the select few to be considered a key player to enhancing the New York transit system, CRRC MA successfully gained certification as a supplier of carbody shells, truck system, and demonstrated its system integration capability.
- March 2018, CRRC MA is the proud recipient of The Metropolitan Transportation Authority (MTA) Genius Transit Challenge Award. Of 438 submissions, CRRC MA's Engineering Unit was one of 8 finalists and ultimately 3 in the subway car category proposing a strategy to increase service capacity and reliability by developing a new subway car that will explore lighter materials, modular design, and modern train control technology.
- March 2018, CRRC MA along with Gannett Fleming was the proud recipient of the 2018 Silver award by the American Council of Engineering Companies of Massachusetts (ACEC) for Outstanding Professional Design Excellence for the CRRC MA Railcar Assembly Facility located in Springfield, Massachusetts.
- April 2017, CRRC is the proud recipient of a preservation award from the Springfield Preservation Trust. CRRC MA is recognized – under the category Adaptive Reuse of Commercial Restoration - for maintaining and restoring the historical Westinghouse Building housed and used for administrative and engineering efforts at the 40 acre manufacturing facility site.

Sincerely,

Henry M. Thomas, III
President and CEO



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9.14.2018

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Subject: Public Comment Concerning Proposed Action Pursuant to Section
301: China's Acts, Policies, and Practices Related to Technology
Transfer, Intellectual Property, and Innovation

Reference: Docket No. USTR – 2018 – 005

Dear Ambassador Lighthizer:

A unique and comprehensive institution, Springfield Technical Community College (STCC) has over 90 certificate and degree programs that include Engineering Technologies and Manufacturing. In a given year, about 8,500 full and part-time students attend the college, and STCC is also known for responsive workforce training and development with an additional 1,000 individuals attending professional workshops. We are also an Achieving the Dream Leader College, and are federally-designated as a Hispanic Serving Institution.

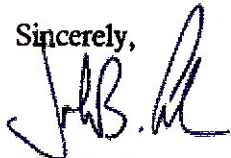
I write to share that efforts by CRRC MA Corporation in Springfield have been warmly welcomed, and have resulted in significant job creation. We are particularly proud to note that a number of our graduates are helping CRRC build subway cars:

www.stcc.edu/about-stcc/news/rail-car-company-hiring-stcc-graduates-to-strengthen-workforce.html

On behalf of our students, staff and faculty, and given the substantial economic and workforce contributions by CRRC to our city, and in the region, we support CRRC in their discussion of Section 301 of the Trade Act, and Chapter 86 of the Harmonized Tariff Schedule, noting the benefit of waiver consideration for our communities.

Thank you for the opportunity to lend our voice to an important conversation about job creation, economic development, and sustainable manufacturing production.

Sincerely,



John B. Cook, Ph.D.
President



September 4, 2018

The Honorable Robert Lighthizer,
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Subject: Public Comment Concerning Proposed Action Pursuant to Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Reference: Docket No. USTR-2018-0005

Dear Ambassador Lighthizer:

Please accept this letter on behalf of DevelopSpringfield as our support of CRRC MA's application for an exclusion waiver for items on the tariffs list. DevelopSpringfield is a 501(c)(3) nonprofit redevelopment organization that focuses on economic development and revitalization in the City of Springfield. As such, we have great concern over the tariffs that could lead to the unintended consequences of fewer jobs in Springfield.

The investment of over \$95 million in a state-of-the-art manufacturing facility in Springfield and the creation of hundreds of well-paying jobs in Springfield, which has an unemployment rate that is double the state average, has been significant. The CRRC MA facility serves as a catalyst for additional investment and economic revitalization for Springfield, but that could be in jeopardy if tariffs limit CRRC's ability to pursue new opportunities within the U.S.

In addition to its positive impact on the greater Springfield economy, CRRC MA has been a strong corporate citizen, supporting a variety of charitable endeavors including DevelopSpringfield. We value them as a member of our community and are appreciative of their economic and philanthropic contributions.

I urge you to accept the application for an exclusion waiver from CRRC MA. Their ability to grow in Springfield is crucial to economic development in the city.

Sincerely,

A handwritten signature in black ink, appearing to read "N. Fyntrilakis", written over a white background.

Nicholas A. Fyntrilakis
President and Chairman



September 25, 2018

The Honorable Robert E. Lighthizer
United States Trade Representative
Office of the U.S. Trade Representative
600 17th Street, N.W. Washington, DC 20508

Subject: Public Comment in Support of Exclusion Waiver for Items on the New Tariffs List

Dear Ambassador Lighthizer:

In 2015, the China Railway Rolling Stock Corporation (CRRC) became familiar with the work of our community college, L.A. Trade-Technical College (LATTC). L.A. Trade Tech is a unique community college with a 94-year history in vocation education, now called Career Technical Education (CTE).

At that time, CRRC MA was competing for a bid to build rail cars for the Los Angeles Metropolitan Transportation Authority (Metro); and were underway with a most recently awarded contract to build rail cars for Boston's subway system, the Massachusetts Bay Transportation Authority (MBTA).

At LATTC, fully 70% of our classes are in CTE, and we have tremendous capacity in our Advanced Transportation and Manufacturing Pathway. We have done many years of incumbent worker training with Metro, have been responsible for establishing curriculum that is used by internal trainers there and have managed the Metro apprenticeship efforts that have moved forward on our campus.

In 2016, LATTC was awarded an FTA grant of \$750,000 that came with a transit institute designation to convene regional partners on related projects. As a result, LATTC became the first community college in the U.S. to host an FTA-supported transit institute, that we call our Transportation Workforce Institute. It is then when we engaged CRRC MA as our partners.

CRRC MA included LATTC in their bid to build Purple Line cars for Metro as their local training partner. When they were awarded the contract, they provided the logistical and financial support to bring three representatives of LATTC to Beijing, Changchun and several other stops in July of 2017. There we learned of their remarkable achievements in heavy duty and high speed rail manufacturing, observing and being educated on production lines related to shells, HVAC systems, electrical systems and propulsion systems. The three latter systems were to be assembled and partially manufactured in Los Angeles under local content rules. This is the work that we are preparing for, to help provide Los Angeles-based skilled tradespeople and our students work on this project.

CRRC MA has made commitments beyond every other railcar production company to this college. And they have fulfilled those commitments more so than any other rail production company in Los Angeles. However, it seems that they are being singled out for substantial tariffs in a way that may make this relationship between CRRC MA and LATTC unsustainable. Let me say that I understand the need to



rethink some of the relationships in manufacturing to develop our capacity as a nation to provide the skills and overall capacity to do this work. And tariffs are a tool in the toolkit.

However, it seems to me that this work could apply to future relationships, but to apply it to a previously negotiated relationship is to make that prior agreement either null and void, unsustainable, or causing tens of millions of dollars, if not hundreds of millions to be paid out of Metro's publicly-funded resources. It seems to me that this situation calls out for a waiver related to the multiple rounds of tariff implementation as the bargain was previously struck that has resulted in substantial and irreversible efforts.

The USTR has provided an opportunity for U.S. companies, such as CRRC MA, to apply for an exclusion waiver from items on the new tariffs list. I understand that all requests for exclusions must be submitted by Tuesday, October 9, 2018. CRRC MA is underway with the exclusion waiver process preparing all required documents necessary for filing. I am hoping that CRRC MA will include our letter of support for their appeal in their application for an exclusion waiver. If you have any questions related to this letter, please reach out to me at 213-435-9918.

Sincerely,

A handwritten signature in black ink, appearing to read "Laurence B. Frank", written in a cursive style.

Laurence B. Frank
President, LATTC

College to Career, It's All Here
L.A. Trade –Technical College



LOS ANGELES AREA
CHAMBER OF COMMERCE

September 20, 2018

The Honorable Robert E. Lighthizer
United States Trade Representative
600 17th Street N.W.
Washington, DC, 20508

Re: CRRC MA Exclusion Waiver Application - Support

Dear Ambassador Lighthizer:

On behalf of the Los Angeles Area Chamber of Commerce (Chamber), which represents more than 1,650 organizations and 650,000 employees in the region, I am writing to express our support for CRRC MA's exclusion waiver request from the tariffs on rolling stock component imports from China. The Trump Administration's Section 301 investigation and accompanying Harmonized Tariff Schedule includes a number of rolling stock components that are essential to manufacturing rail cars.

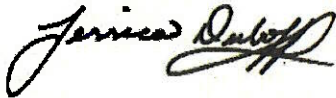
In 2016 the Los Angeles County Metropolitan Transportation Authority (Metro) awarded CRRC MA a contract to design and manufacture new subway cars for its Purple and Red lines. These tariffs will adversely impact the cost of these rail car, hurt job creation, and cost U.S. taxpayers money unless CRRC MA's exclusion waiver is approved.

Metro is the third largest public transit agency in the U.S., and is aggressively expanding its transit infrastructure ahead of the 2028 Olympic and Paralympic Games being held by the City of Los Angeles. The nine-plus mile expansion of the Westside Purple Line Extension, which requires Metro to procure 282 railcars, is critical to the infrastructure build out. CRRC MA, who won the \$647 million procurement contract, will be directly impacted by these tariffs, causing costs to increase. As a federally-funded project, the Purple Line extension is already subject to the Buy America minimum value requirements set forth by the FAST Act for U.S. manufactured rail car components and systems. CRRC MA's contract includes a requirement that 70 percent of the railcar value come from U.S. manufactured goods. Moreover, CRRC MA is investing in Los Angeles County and our workforce. Their 41,200 sq. ft. railcar assembly facility in Los Angeles County is expected to generate 50 direct assembly jobs and approximately \$38 million in wages and benefits.

These tariffs have further negative implications beyond Los Angeles and taxpayers. CRRC MA holds contracts with transit authorities throughout the country, including the Chicago Transit Authority, Boston's MBTA, and Philadelphia's SEPTA. They fill a hole in U.S. manufacturing, since there are no U.S.-owned manufacturers of light and heavy rail transit vehicles. In the absence of U.S.-owned manufacturers in this market, the tariffs end up harming companies, like CRRC MA, that are investing in the U.S. and generating jobs for American workers.

Applying the tariffs to rail car components increases the price of rail cars with no added benefits to our economy and will result in a significant financial cost to American taxpayers. The Chamber is concerned about the impact these tariffs will have on our region and Metro's ability to deliver its transit expansion projects on time and within budget for the 2028 Olympic Games. It is for these reasons we urge you to approve CRRC MA's exclusion waiver application. We appreciate your consideration on this matter. If you have any questions, please contact Kendal Asuncion, Manager of Public Policy, at (213) 580-7518 or kasuncion@lachamber.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Duboff". The signature is fluid and cursive, with a prominent loop at the end of the last name.

Jessica Duboff
Vice President, Center for Business Advocacy

