

U.S. Senator Martin Heinrich (D-N.M.)
Testimony before the U.S. International Trade Commission
October 3, 2017

Good morning.

Madam Chairman and members of the Commission, thank you for the opportunity to testify before you today.

I'm Senator Martin Heinrich from New Mexico.

I'm here today because I am very concerned that imposing high tariffs on imported solar cells and panels would set back our nation's efforts to transition to clean energy resources and threaten thousands of good-paying jobs across the American solar industry.

It is important to remember that the production of solar panels is just a small piece of the solar industry as a whole.

Only about 14 percent of solar workers in the United States are in manufacturing.

And even within the manufacturing space, only a fraction of American companies and workers are in jobs manufacturing solar panels or cells.

Tariffs and price floors for solar panels may help a small number of domestic solar panel manufacturers.

But major price increases would threaten the entire rest of the American solar industry.

My home state of New Mexico has seen major job growth in the solar industry thanks to the rapidly declining cost of solar power.

Investment in solar energy in New Mexico has surpassed 1.5 billion dollars.

That is significant for a state of just over 2 million people.

Nearly 3,000 New Mexico workers are employed in local companies that manufacture equipment, install residential rooftop solar, and build utility-scale solar installations.

We have seen a 54 percent growth in solar industry jobs in New Mexico in the last year alone.

And the important thing to understand as you are making your decision is that the vast majority of New Mexicans working in the solar industry are not working in jobs manufacturing solar panels.

Much of the rest of the equipment is used to install and deploy solar is manufactured domestically.

As just one example of that, in New Mexico, Albuquerque's Array Technologies is a world leader in manufacturing solar trackers that turn panels to follow the sun throughout the day.

Array's President and CEO Ron Corio estimates that if the price of solar panels increases because of high tariffs on imported panels, his company may have to lay off as many as two-thirds of its 300 employees.

The same grim picture is true for the hundreds of thousands of Americans who work for local solar installation companies in communities across our nation.

It is estimated that more than 88,000 American solar jobs could be lost next year if the proposed tariffs are imposed.

In New Mexico alone, we stand to lose 1,545 jobs in 2020 if high tariffs are imposed on solar panels.

That would result in a loss of between 45 and 64 million dollars in wages for our state's workers.

The large majority of job growth we've seen in the American solar industry over the last five years has been in installation, not in manufacturing.

Although panels can be manufactured anywhere, the labor to install them on rooftops or in larger utility-scale arrays must be done by local workers.

Earlier this year, I had the privilege of joining a crew of installers with New Mexico company SunPower by Positive Energy Solar as they installed rooftop solar on a home in Santa Fe.

They told me about the benefits of the booming growth of the solar industry and the great job opportunities for workers like them.

If the Commission proposes high tariffs on imported solar panels, we might see prices effectively double.

That would put 106 solar companies in New Mexico, including 60 installers and developers, in dire straits.

We would be shooting ourselves in the foot by threatening to end the growth of a booming industry that is employing American workers in good-paying jobs.

Solar jobs are exactly the types of jobs that we should be encouraging if we are promoting a trade policy that puts American workers first.

Installers and solar equipment companies are almost entirely American-owned and operated, and they are critical to local economies.

As just one more example of what is at stake, the construction of the Chaves County Solar Energy Centers in Roswell, New Mexico created 300 jobs last year.

This rural community is still working its way out of the recession.

Without those solar construction jobs, the unemployment rate last year in Chaves County would have been almost 8 percent.

Instead, the actual rate was 6.8 percent.

That is the difference you're looking at in communities in my state, and across the nation, if we threaten the American solar industry as a whole.

I hope the Commission will look at the bigger picture of the American solar industry while making a recommendation in this case.

Your decisions have the potential to adversely impact hundreds of thousands of American workers, hundreds of locally-owned American companies and jeopardize billions of dollars in investment in communities across the country.

Thank you again for this opportunity to testify.

