HEARING TESTIMONY OF CONGRESSMAN RICHARD M. NOLAN BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION

Certain Crystalline Silicon Photovoltaic Products from China and Taiwan, Inv. Nos. 701-TA-511 and 731-TA-1246-1247 (Final)

December 8, 2014

Madam Chairman and Members of the Commission, thank you for the opportunity to testify here today in support of the domestic solar manufacturing industry. I appreciate the work of the Commission and your staff, which is important to workers and families in my district in northeastern Minnesota.

In my service to the people of the 8th District of Minnesota, I am committed to manufacturing and job growth and have introduced legislation toward that end. I work very hard for the employees, companies, and businesses of the 8th District of Minnesota to make certain they have a level playing field to compete in the global market.

One of those companies is the solar manufacturer Silicon Energy—whose President, Gary Shaver—is with us here today. Gary was kind enough to give me a personal tour of his company in July of 2013, and I can tell you – it's a real northern Minnesota success story we can all be proud of.

I have spent a good part of my life in the import and export business all around the globe. Moreover I worked to establish the Minnesota World Trade Center in downtown St. Paul, and have served as Chairman and CEO of the Minnesota World Trade Center Corporation.

So I understand the goals of what's termed "free trade" – but in my judgment, the goal we should be striving for to preserve and create good jobs here in America is "fair trade."

The fact is – American manufacturers and American workers can complete and win in the global marketplace every time if they're given a level playing field – and not forced to compete with one hand tied behind their back.

That is particularly true in the renewable energy sector, which like other trade sectors, holds great potential for good paying jobs in Minnesota and throughout the United States.

But again, keep in mind that while we work to expand our trade agreements and trade opportunities, we also need to make sure that U.S. products get the access they deserve abroad and that our trading partners compete fairly here in the United States.
U.S. innovation and efficiency started the world-wide growth of solar and will continue to fuel that growth so long as unfair trade practices are fully addressed.

But that is not what is happening in the solar manufacturing market in America.

Instead, U.S. solar manufacturers have been devastated by China's buildup of massive amounts of state-sponsored solar capacity.

This has led to a surge of dumped and subsidized imports from China, an unprecedented price collapse in the U.S. market, and tremendous injury to U.S. producers.

More than 20 U.S. companies have gone out of business, gone bankrupt, or had significant layoffs. Thousands of workers have lost their jobs – causing serious harm to their families, communities and local businesses.

In the 8th District, producers like Silicon Energy lost jobs – and the company's future, quite frankly, looked pretty bleak.

This situation was extremely disturbing in light of the fact that the people of my district had worked so hard to diversify our economy by attracting Silicon Energy to northern Minnesota – a region critically short of jobs and historically dependent upon mining, tourism, and timber.

We have a natural resources-based economy – timber, taconite and tourism – and what is a better fit for our region than solar energy, a true natural resource?

Moreover, we knew that this industry would bring exciting innovation and well paid, high technology workers to rural Minnesota.

We needed those jobs. We invested in solar. We built the factory and trained the workers. And all of that hard work is now being threatened by unfair competition.

The domestic solar industry responded by filing trade cases against China, and this Commission helped to put trade relief in place for the U.S. industry.

But, as you know, China and Taiwan found a way around the first cases. China simply shifted its production and started using Taiwanese cells, but it continued the same unfair trade pricing practices. The harm to the U.S. industry continued as a result of this new, second import surge of solar product.

The U.S. solar industry then filed these current cases. As a result, the U.S. market has stabilized, allowing U.S. solar manufacturers to increase sales and reclaim some market share.

Again, this rebound demonstrates what we all know - that American companies and American workers are second to none when they're allowed to operate in a fair and fully competitive marketplace.

So it is very possible that that our domestic solar energy will have a bright future ahead.

U.S. solar demand is growing, and U.S. producers are developing and making excellent products to meet that demand. However, your work today is critically important to this recovery. Without these cases, the harm to the U.S. industry and its workers will continue and worsen.

Minnesotans look forward to a growing domestic solar industry. Our state has mandated the use of solar energy and set requirements for both large-scale and consumer-level renewable solar energy systems that utilities will need to meet over the next several years.

I'm proud that my district was able to convince Silicon Energy to build its second U.S. factory in northern Minnesota. We welcome the jobs and innovation in our region. And we need to assure that Silicon Energy is allowed to compete on a level playing field – so their considerable investment in our region fully benefits our citizens, our communities and our economy.

This Commission plays a critical role in ensuring that the trade rules are enforced. So I ask you to continue that mission, and apply the nation's trade laws fully, so that the American solar industry can have the future it deserves.

Thank you.