



December 9, 2021

Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, DC 20510

Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Majority Leader Schumer, and Leaders McConnell and McCarthy:

On behalf of millions of workers throughout the U.S. supply chain that supports our transportation infrastructure, we write in strong opposition to any policy actions that would weaken the *Transportation Infrastructure Vehicle Security Act (TIVSA)*. This law was enacted in 2019 to prevent the use of federal assistance administered by the Federal Transit Administration (FTA) from being used to purchase rolling stock equipment from China's state-owned, -controlled, and -subsidized firms. These firms are now actively lobbying to be excluded from TIVSA so that they can regain access to U.S. taxpayer-supported procurements. They are attempting to divert policymakers' attention away from the threat they pose to American workers throughout U.S. supply chains, as well as their documented connections to China's Communist Party (CCP), the People's Liberation Army (PLA), and firms like Huawei.

One of these companies – Build Your Dreams (BYD) – established a downstream final assembly facility in the United States with the backing of access to taxpayer-supported procurement contracts to supply electric buses to major U.S. cities. This assembly facility relies heavily on imported parts and components from China, displacing American jobs in upstream extraction of raw materials, production of iron, steel, and other materials, intermediate component and parts manufacturing, and downstream final assembly at other rolling stock manufacturers.

- According to an Albuquerque Inspector General report: one person interviewed “believed the majority, if not all, parts were manufactured in China and shipped to the United States”; another person believed that “everything appeared to originate in China” based on responses to questions about the status of parts; and, a BYD official disclosed that “the frames of the buses were made in China.”ⁱ
- Meanwhile, according to an FTA audit: BYD’s battery module itself is manufactured from “cells, connectors, and other materials, all of which are sourced from China”; unlike other bus manufacturers, “the battery management system and the sub-assemblies in BYD’s battery pack are imported from China”; and “[t]he battery communication converter is imported as a completed unit from China.”ⁱⁱ

More broadly, the nation’s shared economic and national security interests are jeopardized when our own tax dollars enable China’s efforts to dominate global markets and corner production of emerging technologies, including rechargeable batteries, electric vehicles, and other clean energy platforms. Regrettably, BYD’s final assembly facility – enabled by U.S. tax dollars – now serves as a foothold for its broader ambitions in batteries and electric vehicles. BYD calls itself the “world’s leading electric vehicle company”ⁱⁱⁱ and its own chairman “boasted of plans to dominate world auto sales by 2025.”^{iv} BYD’s momentum is further enabled by China’s extensive support system - including generous state subsidies, research centers incubated in “military-civil fusion enterprise zones,” a “strategic cooperation” agreement with a military-affiliated weapons production base, and its “inseparable” relationship with Huawei on its unmanned driving system.^v The recent attention to supply chain initiatives by both congress and the administration are an acknowledgement that we must confront China’s attempt to dominate key sectors of economic and national security significance.

Thus, as we make generational investments in American-made electric vehicles, battery technology, clean energy, and other critical infrastructure under the Build Back Better Act and the recently-enacted Infrastructure Investment and Jobs Act, now is not the time to backtrack on the TIVSA law. Furthermore, any assertion that the United States will not be able to achieve its environmental goals without the participation of China’s state-owned and state-supported companies underestimates the collective power of the United States labor force and American ingenuity. Such claims ignore the globally significant and demonstrable impacts of China’s carbon-intensive factory output.

Together, our members and industry partners are already answering the call from transit agencies for high-quality, American-made transit vehicles – including zero emission buses necessary to address climate change. We must not abandon the critical supply chains that support millions of American workers, nor should our members at U.S. electric bus manufacturing locations be forced to compete for federally assisted procurements against state-supported entities that benefit from Beijing’s substantial financial backing.

We appreciate your support of our members and commitment to revitalizing American manufacturing. Millions of good jobs, the resiliency of critical supply chains, and our global competitiveness in the domestic production of clean energy innovations are at stake.

Sincerely,

International Association of Machinists and Aerospace Workers
International Brotherhood of Teamsters
Transport Workers Union of America
United Steelworkers
United Auto Workers

ⁱ “Inspection of Albuquerque Rapid Transit Project Procurement,” Peter Pacheco, Office of the Inspector General, City of Albuquerque. 6 June 2018. [Link](#)

ⁱⁱ “Federal Transit Administration’s Buy America Compliance Review of Battery-Electric Buses,” FTA Report. December 2020.

ⁱⁱⁱ BYD website. [Link](#)

^{iv} “Stalls, stops and breakdowns: Problems plague push for electric buses,” LA Times. May 20, 2018. [Link](#)

^v “Building the China Dream: BYD & China’s Grand Strategic Offensive,” Bruyere and Picarsic. Radarlock. October 2019. [Link](#)