



UNITED STATES SENATOR JOHN D. ROCKEFELLER IV

**A Record of Achievement for West Virginia:
Diversifying West Virginia's Economy for
the 21st Century**

LEGACY MEMORANDUM

TO: Senator Rockefeller
FROM: Suzanne, Nick, John, and Penny
DATE: December 16, 2014
RE: Your Legacy Memo on Jobs and Economic Growth in West Virginia

This legacy memo provides an overview of your jobs and economic development accomplishments in West Virginia.

From the very day you were elected as Governor of West Virginia, you made jobs a top priority. As the below excerpt from your 1998 speech at Shepherd College attests, your quest was to diversify West Virginia's economy. You knew that a relationship with Japan and other countries could launch West Virginia on a global scale. However, you also recognized that your strategy to help West Virginia's transition into the new economy would have to be multi-layered. One that also included encouraging new high technology industry growth in fields such as biometrics and information technology; helping West Virginia's industries and businesses become more competitive; building a strong tourism industry; attracting new federal operations to the state; and fighting for every federal resource that could aid the state modernize its physical and information technology infrastructure.

“Throughout the history of our state, West Virginia has experienced economic booms and busts. The last great economic shift – the mechanization of the mining industry in the 1940s and 1950s – saw West Virginia and our

neighboring states hit hard by changes that cost us thousands of jobs. In the 1970s, as manufacturing, mining, steelmaking, and other industries faced tougher foreign competition, West Virginia was left simply to react and try to hold on to traditional markets.

The results of this economic tidal wave were lost jobs, stagnant growth, and an uncertain place in an ever-shifting economy. It also meant many West Virginians were forced to leave home and family to find work in other states. My dedication to economic development grew out of this uncertainty, driven by the need for West Virginia to take control of our economic future and to improve our competitiveness and productivity as new markets open.

It has been a top priority of mine to encourage West Virginia's business leaders to diversify our business portfolio. We learned over the past several decades that we can no longer put all of our economic eggs in one or two baskets like coal mining and steel making.

That's what I've tried to do in my work to diversify West Virginia's economy – creating jobs in tourism, aerospace, automobile manufacturing and a host of other industries. We've strengthened industries in the state. And we've reached across the state's borders to attract investment from companies throughout the United States and the world.”

These words provide a near perfect summation of how you have worked tirelessly over your entire career to promote economic

development and diversify the state's economy, pushing forward in every direction to create a vibrant economy for West Virginia. While your work in job creation and economic development was all encompassing, this memo specifically focuses on your work to attract international and other new business investments; your steadfast commitment to the state's traditional industries, including manufacturing and steel; your efforts to promote West Virginia as a major tourism destination; the myriad of federal investment you have brought to the state; your unrelenting support of the Appalachian Regional Commission, which has been such important partner to the State of West Virginia in creating jobs and overcoming isolation through the Appalachian Development Highway System; as well as several business and federal initiatives in which you invested yourself 100%, but ultimately did not survive or locate to the state.

While each of the following chapters may not have a uniform storyline, they are united by the fact you ***never, ever*** gave up when it came to creating or protecting a job no matter the difficulty or years of commitment. This memo will reflect that the work you have done over your long career has provided the people of West Virginia control of their economic future, just as you envisioned nearly forty decades ago.

An *optional* timeline spanning from your days of Governor to today is provided as a separate document. This is a broader overview of events, legislation, and other endeavors in which you have been involved that demonstrates the extent of your job and economic development pursuits for the people of West Virginia.

Table of Contents

Attracting International and other Private Sector Investments	Page 5
Transitioning Manufacturing	Page 41
Standing Up for Steel	Page 57
Growing the Tourism/Travel Industry	Page 77
Expanding the Federal Footprint	Page 99
Fighting for the Appalachian Reg. Commission	Page 138
Taking Risks for New Jobs	Page 158
Epilogue	Page 172

Separate Document: Optional Timeline

ATTRACTING INTERNATIONAL INVESTMENT



“I wanted to open up West Virginia to the world. I knew that a relationship with the Japanese would launch West Virginia on a global scale like no other country could.”

Jay Rockefeller, Receiving the Grand Order of the Rising Sun,
February 12, 2014

Introduction

This first chapter of your legacy memo highlights your renowned efforts to open West Virginia's economy to the global market. Starting with your work with Japan and other Pacific Rim countries, this chapter recounts the Japanese companies that invested in West Virginia because of your personal involvement, and touches on other foreign and private sector investment that also came about from your vision to expand the state's economic portfolio.

Most certainly, your ingenuity in founding the Discover the Real West Virginia program (DRWV) in 1988, which later formalized as the Discover the Real West Virginia Foundation in 1993, to showcase business and investment opportunities in West Virginia and abroad was a key contributor to your success not only in attracting new Asian investments, but also in diversifying the state's economy on many other fronts. Today, 141 foreign-owned companies employ 25,800 workers in West Virginia, including 3,000 workers who support 22 Japanese companies that now reside in the state as a result of your deeply personal mission.

The end of this chapter includes personal stories of some of your constituents who greatly benefited from your foresight to introduce West Virginia to the world. It concludes with your May 3, 2013 editorial that reflects on your Toyota journey and the incredible growth that has followed, as well as a timeline that showcases how you transformed your 1980s vision into a reality, one that continues to reap vast benefits for the State of West Virginia. Today, Toyota employs nearly 1,400 people and has invested over \$1.4 billion in the state, making it the second largest industrial investment in the state's history.

Japanese Investment

You will long be remembered for your efforts in attracting Japanese investments to West Virginia. Your successful history began over 55 years ago when you felt the need to change the direction in your life and moved to Japan to study the Japanese language and its people. The principles you learned from the Japanese culture and the life-long relationships you forged with the Japanese people would always remain with you when you returned to the States and is one of the many reasons why the Government of Japan conferred upon you the Grand Order of the Rising Sun in February 2014.

As you began your life-long career of helping the people of West Virginia, who were very similar to the people of Japan in their family-oriented, honest, trustworthy, hard working ways, it was always in the back of your mind that there should be a way for your two “adopted” communities to cooperate in a manner that would be mutually beneficial.

Elected Governor of West Virginia in 1977, you acted on your beliefs and opened an economic development office in Japan, but not in the financial capitol of Tokyo like several other States. Instead, you used your personal knowledge of Japan to be different and go against the current trend, opening the West Virginia office in Nagoya, the center of Japan’s manufacturing region. Ultimately, this was the right decision for West Virginia.

As noted in the introduction, soon after being elected to the Senate you founded the DRWV and made a concerted effort through DRWV to attract international investment to the state by launching the first “Project Harvest” trade mission in 1995. In this

mission, you invited a number of West Virginia business leaders to join you on a trip to Japan and Taiwan to meet with Japanese and Taiwanese business leaders there. You brought together state and foreign investors to discuss how West Virginia could meet the needs of foreign companies while benefitting local businesses. This initial mission was the first step in what would become a long series of missions to create opportunities in West Virginia.

Over the next six years, you held six more Project Harvest Missions between West Virginian, Taiwanese, Japanese, and Chinese business leaders, including “reverse” trade missions in which you invited foreign business leaders to visit West Virginia. Each time you brought business leaders together to discuss how West Virginia could meet the needs of international investors while at the same time benefitting the people of the state. These missions were an enormous success, showcasing all that West Virginia had to offer to foreign investors and spawning a number of successful investments.

Without question, the major factor in the overwhelming success of these missions was your personal participation, accompanying these business leaders to the state and personally showcasing the advantages of doing business in West Virginia.

As a result of these personal and seamless pursuits, today, there are a total of twenty-two Japanese companies in West Virginia, many of which you initiated when you were Governor. While you may have been directly involved in some more than others, none of those companies would be in West Virginia today if it were not for your leadership and relationship building that began back during your time as Governor. These twenty-two companies have

invested billions of dollars in West Virginia and created over 3,000 good paying jobs.

The Japanese companies (including sales or representative offices) currently in West Virginia include: Wheeling Nisshin, Diamond Electric, Feroletto Steel, Green Metals, Hino Motors, Kuraray, Kureha PGA, K.S. of West Virginia, Meiji Corporation, Mitsubishi Rayon/Lucite International, NGK Spark Plugs, Nippon Thermostat, Nippon Tungsten USA, Okaya, Okuno International, Sanko Denki, Taiyo Nippon Sanso, Teikoku USA/Chempump, Toyota Motor Manufacturing, and Toyota Tsusho.

The following pages provide information about the above-mentioned Japanese companies that have chosen to make West Virginia home because of your personal involvement and/or the important groundwork that you laid.

Wheeling Nisshin

Beginning in 1978, as Governor, you pressed hard to forge a partnership between a Japanese company, Nisshin Steel of Japan, and a West Virginia company, Wheeling Pittsburgh Street. After eight years of persistent efforts, an agreement was reached to open Wheeling-Nisshin in Follansbee. The hot-dip Aluminizing and Galvanizing Line (AGL) at the Follansbee site, which opened in 1988, is America's first fully computerized steel-coating facility. This mill has two fully-computerized coating lines and serves the construction, heating, ventilation, and air conditioning industries. Wheeling-Nisshin is the only steel mill in the country producing all major hot-dip coated products. Today, Wheeling-Nisshin supports 175 employees. In 2012, you announced a new product line for the company called ZAM. ZAM, is a hot-dipped, super-corrosion-resistant zinc, aluminum, magnesium alloy coated steel,

and is helping Wheeling-Nisshin to meet the emerging needs of a wide variety of industries with next generation building materials. The ZAM line is Wheeling-Nisshin's largest investment to the AGL line since it was commissioned.

Toyota Motor Manufacturing West Virginia (TMMWV):

As a result of your close relationship with Toyota and over ten years of tireless efforts on your part, Toyota broke ground in Buffalo, West Virginia in 1996. Original plans called for 300 employees to produce engines only, but by January 1998, Toyota decided to double the engine-production workforce. Since that time, Toyota has expanded eight times in West Virginia. You visited the company in 2013 to celebrate the 10 Millionth Unit produced in Buffalo – the first Toyota plant outside of Japan to reach this milestone. With its second assembly line starting production of six-speed high-torque automatic transmissions, Toyota employs nearly 1,400 people and has invested over \$1.4 billion in West Virginia. At the end of this chapter is your May 3, 2013, editorial that provides a more personal account of your history in landing the Toyota plant to the state, as well as a timeline of your efforts.

"I wanted to do something big for West Virginia that would create jobs and invest in the future of our state's economy. Everyone knew Toyota. It's a huge company, and brilliantly run. They were looking for an overseas market, and I had a match for them. I had to get one of those plants. It became my mission". – Jay Rockefeller

NGK Spark Plug, Manufacturing

NGK Spark Plug first came to West Virginia in 1989 as part of a reverse trade investment mission delegation co-hosted by you and the Discover the Real West Virginia Foundation. During the next five years, you continued to work with NGK officials to convince them to locate a facility in the state. A leading supplier of automotive component parts, NGK opened its West Virginia location in 1995. After less than one year of operation in West Virginia, NGK announced a 33,000 square foot addition.

Since coming to the state in 1995, NGK has continued to grow. In 2000, the company announced that it would add 70,000 square feet to its West Virginia facility to store finished oxygen sensors. In 2001, NGK announced that a new line of operations to manufacture spark plugs. The plant currently employs 254 employees (both permanent and temporary workers) and has expanded a total of five times. So far, the company has invested of \$100 million in West Virginia. NGK celebrated its 15th year Anniversary in 2010.

Nippon Thermostat of America Corporation

Nippon Thermostat participated in your Toyota Parts Suppliers Mission in 2002. In June 2003, representatives from Nippon Thermostat purchased 10 acres in the Putnam County Industrial Park. Since that time, Nippon Thermostat has constructed a 1,000 square foot facility in the park to manufacture automotive thermostats. This facility is NTAC's first manufacturing plant in North America. In the eight years since Nippon opened, the plant in Fraziers Bottom has increased the number of employees from 8 to 40. They have also doubled the size of the facility. All of Toyota's North American destined NTCL thermostats are now made in the West Virginia facility. Moreover, as of last year, the

West Virginia plant has been supplying Honda North America and Chrysler.

Okuno International

Okuno International manufactures hydraulic cylinders used in forklifts, farming equipment and industrial trucks. In 2000, Okuno opened its first U.S. manufacturing facility in a 5,000-square-foot building on a 10-acre site in the Prichard Industrial Park in Wayne County. Okuno currently employs approximately 30 people and has recently added a new line to its production line. In addition to customers such as Toyota forklifts in Indiana and Komatsu in South Carolina, Okuno is machining equipment parts for TMMWV and supplying scrap metal for Green Metals. You have a long history with Okuno. In May of 1999, you met with Mrs. Okuno, her son Shin, and other company officials to discuss the possibility of locating their new facility in West Virginia. Shortly after the meeting, Okuno decided they were interested in locating in West Virginia and the West Virginia Japan Office worked with company officials as they evaluated potential sites in the State. In September of 1999, you and Governor Underwood announced that Okuno had selected a site at the Prichard Industrial Park (now called the Mike Perry Industrial Park) and would be opening a manufacturing operation in the State. The Wayne County plant is Okuno's only facility in the United States.

Diamond Electric

Diamond Electric is another success story in West Virginia, having grown from 8 employees to 200 and expanding 3 times – from 30,000 square feet to 110,000 square feet. The plant has had many accomplishments over the years including quality awards, International Standards Organization certifications, and

increased sales and new business. The Eleanor facility has become the larger of Diamond Electric's plants in the United States. It now has the capacity to produce over 13 million ignition coils a year.

KS of West Virginia

KS of West Virginia has approximately 65 employees manufacturing metal stamping and plastic injection molding for the automotive industry, including NGK. KS continues to develop new markets in the automotive sector as well as medical equipment and other specialized areas.

Green Metals

Green Metals is a leader in environmentally protective recycling of industrial scrap metal commodities with operations in accordance with ISO 14001 standards. This company is the product of a joint venture involving Toyota Tsusho Corp. (Japan), Toyota Tsusho America, Inc., Nakadaya Corp. (Japan) and ARK, Inc. In 2003, this company finished construction and began operation in Buffalo, West Virginia. In addition to acquiring Toyota as a supplier in the last several years, the company has acquired several new West Virginia suppliers including Sogefi, Okuno International, Diamond Electric, Parkline and others.

Toyota Tsusho

In 2003, Toyota Tsusho finished construction of its new warehouse and sales office in the Eleanor Industrial Park. This company provides machinery parts to TMMWV.

Meiji Corporation

Since the company was founded in 1920, they have worked with companies and organizations across the world to provide the

tools and services they need to automate their factory processes. The company has a branch office in Eleanor.

Feroleto Steel

Located in Weirton, this company is owned by Toyota Tsusho, and processes and distributes rolled steel products.

Mitsubishi Rayon/Lucite International

Mitsubishi Rayon has production facilities located within the DuPont plants in Kanawha and Wood counties. Lucite International was created from the acrylic businesses of ICI and DuPont. ICI Acrylics was formed in the 1930s, when it invented the first commercial process for MMA. It went on to acquire DuPont's acrylics business, and in 1999, Charterhouse Development Capital became involved in rebranding the company as Lucite International. In 2009 Mitsubishi Rayon Co Ltd became the new owners of the company.

Okaya

Iron and steel products are the traditional foundation of Okaya. Japan is the world's third-largest producer of iron and steel, with advanced technology and equipment that has significantly influenced steel-making techniques throughout the world. Naturally, as an international marketing force in iron and steel, Okaya must meet the needs of a highly diversified clientele. Thus, its worldwide network of business operations is not simply content to accept standard marketing procedures, but strives to genuinely meet the specific needs of each and every customer. To accomplish this, Okaya has steadily expanded the scope of its business activity, to include the actual processing of iron and steel

products. The company has a satellite office at the Putnam Industrial Park in Hurricane.

TeikokuUSA Chempump

TeikokuUSA Chempump distributes and services pumps sold to power plants, the natural gas industry, chemical companies, etc. Teikoku USA Inc is a subsidiary of Teikoku Electric Mfg. Co., Ltd of Japan and a member of the Teikoku Group of global companies. In 2003, Teikoku USA Inc acquired the Chempump Division of Crane Co. to enhance the company's global strategy for the Western Hemisphere by bringing established canned motor pump manufacturing and service capabilities to the USA operation. Teikoku USA Inc is headquartered in Warminster, PA, where product management, application engineering, manufacturing and servicing of products are available to support the Teikoku product line. Texas operations, including pump and parts services, are handled at Teikoku USA's Houston facility. Standard Chempump products are manufactured, serviced and supported in Belmont, WV. Highly engineered and nuclear pumps are also manufactured in Warminster, PA.

Taiyo Nippon Sanso

Taiyo Nippon Sanso distributes industrial gases. They entered West Virginia when they acquired Valley National Gases which has several locations in the state.

Sanko Denki

Sanko has a sales office in downtown Charleston serving NGK and other east coast customers.

Nippon Tungsten

Nippon opened in Barboursville in 2010. They are the first Japanese company in Cabell County. The high-tech specialized machine shop resharpen blades manufactured by Nippon Tungsten's equipment in Japan. Nippon Tungsten refines and fabricates tungsten and other metals to manufacture fine ceramic and refractory products. Six people currently work there, but the company plans to add jobs in the future. Nippon Tungsten products and technologies include die cutters, ceramic substrate, electrical contact and alloy metal components. The location in Barboursville was good because it is relatively close to the company's American customer base. Cincinnati-based Procter & Gamble is a client, relying on the blades to cut products such as sanitary napkins and diapers.

Hino Motors

Hino is located in Williamstown, West Virginia and is the first full-scale automotive assembly plant in West Virginia. You have a long history with Hino. In May of 2001, Hino participated in an investment seminar in West Virginia. Following that visit, the State became aware of Hino's project to build heavy-duty trucks in the United States. In July 2001 while you were in Tokyo, you met with Mr. Jagawa Tadaaki, who was President of Hino's Board at the time (now he is the Chairman of the Company) to pitch the idea to them about considering West Virginia as a site for a manufacturing facility. While you were visiting with Mr. Tadakki, you sent two members of the DRWV Board -- Ellen Cappellanti and John Smolak -- to meet with Hino team members at the Hino Plant in Hino City, Japan. Then-Governor Bob Wise also met with Hino when he was in Japan. West Virginia continued to

pursue the company (much of this was done at the staff level and by the WV Japan Office) which led to the official announcement in 2007. Much of the reason they chose West Virginia can be attributed to the success of Toyota and the perceived quality of our people and our workforce. When Hino first opened in 2007, it was making anywhere from two to ten trucks a day. Today that number has tripled and plant now employs nearly 150 people.

Kureha PGA

In 2007, Kureha Corporation of Tokyo Japan, announced plans to invest over \$100 million in a new, wholly owned subsidiary and to build a plant for the production and sale of the high performance polymer, polyglycolic acid (PGA). The facility opened in 2010 in Belle on DuPont's property. The facility employs over 50 people. You also have a long history with Kureha, as you were the one who originally invited the company to visit West Virginia. You first invited Kureha to the State to participate in a 2003 trade mission hosted by DRWV and the Polymer Alliance Zone. In May of 2005, you met with Kureha representatives in Tokyo – including Dr. Takao Iwasaki. At the time, Dr. Iwasaki was the Vice President, but is now the President and CEO. Kureha then returned to West Virginia in September 2005 to participate in a 2nd DRWV trade mission.

Kuraray

DuPont officials announced late last year they had agreed to sell the Glass Laminating Solutions/Vinyl section at Washington Works to Kuraray Vinyl Acetate – a Japanese company. This laminated glass Butacite unit was a part of the Washington Works DuPont Packaging & Industrial Polymers. It produced net

sales in 2012 of more than \$500 million worldwide. This portion of the DuPont plant was sold to Kuraray for \$543 million, plus the value of the inventories at the time of purchase. The sale was finalized in early 2014, and the employees of the unit remained as employees of Kuraray.

Additional International Investment

It is also important to note that the success of Wheeling Nisshin, NGK Spark Plugs and Toyota Motor Manufacturing West Virginia made West Virginia a very attractive business location for other, non-Japanese companies to do business. Gestamp, a Spanish stamped automobile parts company and Alleward Sogefi USA, an Italian automobile parts company, would not be in West Virginia otherwise.

And that is just to name a few. Today, there are 141 international companies from thirty different countries that support over 26,000 workers, which have invested in West Virginia. Many of those are a result of your vision of a global marketplace, your hard work and your persistence in developing working relationships for West Virginia in the international community.

The following map from the West Virginia Development office will give you an overview of these companies and their locations.



Other Private Sector Investments

During the early years of your DRWV Foundation, in partnership with state and local officials, you also organized countless economic development tours to bring national and global business leaders into all corners of West Virginia to expose them to the business opportunities to grow and develop in the state. Your first “Economic Development Tour” was in June 1989 in which you invited a number of business leaders from Washington, D.C. to the Eastern Panhandle to personally introduce them to the region. Soon after, you arranged similar tours to Southern West

Virginia, Huntington, Morgantown, Weirton, Wheeling, Beckley, and Wheeling to name just a few areas. You also coordinated other visits that were more targeted to specific industries such as tourism, wood products, polymers, and aerospace. Over the more recent years, DRWV has expanded its focus to also include emerging business opportunities in the fields of biometrics, homeland security, and broadband development. Although results in this arena are harder to quantify, the fruits of your labor are particularly visible in North Central West Virginia. Today, this region has successfully diversified into new sectors in biotech, forensic science, biometrics, cybersecurity, energy harvesting, as well as aerospace manufacturing that today supports over 12,000 technology sector jobs.

Personal Stories

The international investment that you have brought to West Virginia has created so much positive change throughout the state. Most importantly, it has helped so many West Virginia families realize the America dream of good paying and stable jobs. To provide you with a glimpse of the impact and appreciation of so many of your constituents who have directly benefited from your work, we have included some of their stories below. These are individuals who were able to remain in West Virginia, return to their home state, or make West Virginia their new forever home -- all because you saw what others could not and never relented in fulfilling your vision.

Mike Hill - Hino Motors Manufacturing U.S.A. Inc.

Hino Motors Manufacturing U.S.A. Inc., gave Mike Hill a chance to stay in West Virginia.

“I was born near Williamstown, where both sets of my grandparents lived,” said Hill. “After I earned a bachelor’s degree in industrial engineering from Georgia Tech, I came back. In July 1999, I started work for Fenton Art Glass as a project engineer. Eventually I became a quality control manager and supervised two production departments.”

In 2005, Fenton celebrated its 100th anniversary of creating handmade art glass. Yet, the largest manufacturer of handmade colored glass in the United States was struggling. In the summer of 2007, Fenton announced plans to close the plant by the end of the year. Mike and his fiancé, Farrah Colegrove, a West Virginia native, worried they would have to leave the area.

Then Hino Motors Manufacturing U.S.A., Inc., (HMMUSA) announced it would open a sequencing and final stage truck assembly plant in the former Walker Systems building in Williamstown. Hill applied, and in August 2007, began working for Hino as a quality specialist. In September 2007, he and Farrah were wed and were able to live out their dream to remain in the state.

Kevin DiGregorio - Chemical Alliance Zone

Inviting chemical companies to make their homes in West Virginia, bringing jobs and creating opportunities, is part of Kevin DiGregorio’s mission.

A native of Richwood in Nicholas County, DiGregorio graduated from West Virginia University with a degree in engineering. Now he serves as Executive Director of the Chemical Alliance Zone, an economic development entity that promotes the chemical industry in Kanawha, Putnam, Cabell and Wayne counties.

“A strategic location and a readily available, skilled work force are important incentives for industries to locate in West Virginia,” said DiGregorio, “but having available infrastructure is a big selling point for a company that wants to come into this market.”

West Virginia employs a “co-location” strategy to turn chemical plants’ extra space or underutilized capacity into working assets. Essentially, existing operations share infrastructure with new companies interested in coming to the state. The companies can share the costs of utilities, waste management, safety and environmental management, compliance, information technology and security. The advantages include lower capital investment, faster startup and reduced operating costs compared to locating to a new, green site.

The nonprofit CAZ works with established firms and start-ups, from multinational corporations such as Kureha PGA LLC to small firms such as Progenesis Technologies LLC.

Kureha PGA LLC is building a new \$100 million manufacturing facility, co-located on the DuPont site in Belle. The plant will be dedicated to the production of polyglycolic acid (PGA).

In the past, PGA has been limited to small scale operations making surgical sutures because manufacturers had no cost-effective process to produce the resin in high volumes. Parent company global specialty products firm Kureha Corporation achieved a breakthrough in the high-volume, cost-effective manufacture of PGA. The resin has gas barrier properties 100 times better than conventional PET used in water bottles. PGA is biodegradable and compatible with PET recycling processes.

“We worked with the West Virginia Development Office, DuPont and Charleston Area Alliance (CAA) for several years to help facilitate Kureha’s interest in West Virginia,” said DiGregorio. “We worked with Kureha officials, CAA and state work force development agencies to help find engineers for the new facility.”

On the other end of the scale is Progenesis, a biotechnology startup founded by Marshall University professors Dr. Hongwei Yu and Dr. Richard Niles. Dr. Yu discovered a way to produce large amounts of reliably consistent alginate. Normally harvested only at certain times of the year from the seaweed cells, alginate is used in everything from cosmetics and pharmaceuticals to brewing. Progenesis’ commercial production of alginate from bacteria has the potential to be faster, simpler and at a lower cost.

Glenn Anderson - Kureha PGA

From an article *Work globally. Live locally.*

By Catherine Zacchi

Charleston native Glenn Anderson is part of the engineering team constructing the new PGA production plant for Kureha in Belle. When the plant is completed, he will serve as reliability manager, responsible for keeping the plant running safely and smoothly. As a teen, Anderson repaired bikes in a local bicycle shop. His father recognized his youngest son’s mechanical aptitude and offered him the chance to go to college and study engineering.

Anderson enrolled at what is now West Virginia University Institute of Technology. In 1980, he graduated with a bachelor’s degree in mechanical engineering – and a new bride, the former

Linda Fish. After graduating, Anderson worked for a chemical company near Wheeling. A chance for advancement took him to South Carolina in 1990 and to North Carolina in 1995.

“With my father, a sister and brother still living in Charleston, and my wife’s parents still living in the upper Kanawha Valley, we returned to West Virginia often,” Anderson said. “The visits were focused on seeing family, but we did fit in some West Virginia whitewater rafting and skiing with the kids.”

While in North Carolina, Anderson heard that global specialty products firm Kureha Corporation had achieved a breakthrough in the high-volume, cost-effective manufacture of PGA. The project became irresistible when Anderson learned that chemical industry colleague Tom Provost was leaving to become manager for Kureha’s new PGA plant – in West Virginia. When Kureha began looking for engineers, he applied.

Said Anderson, “Kureha PGA is a very exciting project, an opportunity to work with some great people – and a chance to go back home to West Virginia.”

Michael Powell and Robert Morehead – Pietro Fiorentini

During his October 2013 investment mission to Europe, Governor Earl Ray Tomblin met Michael Powell and Robert Morehead. The 2013 graduates of the West Virginia University Statler College of Engineering and Mineral Resources were in Italy to receive four months of special training from Pietro Fiorentini, a world leader in the production of pressure regulators, valves, and pressure reducing and metering systems for the natural gas industry. A mechanical engineer and a process engineer respectively, Powell

and Morehead work in Pietro Fiorentini's first U.S. production facility, based in Wheeling.

Troy Thomas - Allevard Sogefi USA, Inc.

Pursuit of a career in automotive manufacturing led Troy Thomas away from his native West Virginia. Now that same career has brought him back home.

Thomas manages the Allevard Sogefi USA, Inc. plant that produces automotive suspension and filtration products in Prichard. It is the first facility in North America for Sogefi, an Italian company with plants in 13 countries worldwide.

Thomas grew up in Kanawha County, where his parents, sister and most of his extended family still live. He left the state in 1988 to study engineering. While earning his Masters of Business Administration, he built and managed a new brake pad plant. Troy returned to West Virginia for weekend visits, introducing colleagues to lazy summer floats down the Potomac River and lunches in Harpers Ferry.

“No matter where I’ve been,” said Thomas, “when I’ve had the opportunity to meet other West Virginians, we shared a sense of pride in where we came from. While it seems the world is becoming smaller, more homogenous and more transient, West Virginians still have roots.”

In 2004, Thomas moved to Huntington as plant manager for the \$27 million Sogefi plant. In 2008, the Italian-based company began a \$7 million expansion and promoted Thomas to general manager.

“My strong desire to live closer to my family and an excellent opportunity to work for the international company Sogefi brought me home,” he said.

Your May 2013 Editorial on Toyota: A Dream Realized

“Fifteen years ago, a young man from St. Albans, West Virginia carefully filled out a job application. He and his wife were just starting their family and working hard to make ends meet. She heard on the radio that Toyota was coming to Putnam County and encouraged him to apply. Matt Oliver was hopeful but cautious. He knew those 350 jobs would be in high demand.

He was right – 25,000 people applied. But through every step of the hiring process, his wife told him to just do his best.

That’s what he did, and that’s what he’s done every year since as the very first team member of Toyota Motor Manufacturing West Virginia.

It’s because of Matt and so many hardworking West Virginians like him that the Toyota engine manufacturing plant has done nothing but expand since it opened in 1998. What started out as a \$400 million project has grown into a \$1.2 billion investment – the second largest industrial investment in our state in the last 50 years – with employment now at 1,200. And just this week, we marked an incredible milestone with production of the facility’s 10 millionth unit.

Back in 1986, all of this was just a dream. I knew I wanted to do something big for West Virginia. So I traveled to Japan in January of that year and met with Dr. Shoichiro Toyoda, Chairman of Toyota Motor Corporation. For ten full years and

through multiple trips to Japan, visits by Toyota officials to West Virginia and countless phone calls and meetings, I was determined to make this happen.

In 1996, we announced that Toyota had chosen Buffalo, West Virginia, as the site of its new engine plant to produce 4-cylinder Corolla engines. As local schoolchildren waved Japanese and West Virginia flags, we broke ground in a wide open cornfield in September that year. While the plant was under construction, Toyota announced it would build a second factory at the site to produce V-6 Camry engines, already doubling production.

In total, Toyota has expanded its West Virginia plant seven times. West Virginians from 47 of our 55 counties have worked there.

Team members are now making products for the Corolla, Camry, Matrix, Sienna, Rav4, Highlander, Lexus RX 350, Avalon and Venza. The plant was recognized by the Harbour Report as the most productive engine plant in the country for eight straight years. Hundreds of West Virginians are supplying products for Toyota at Japanese companies across the state, including Diamond Electric, Nippon Thermostat and NGK Sparkplugs, to name just a few.

And the company has made an inspiring difference in the community – with millions of dollars in donations to local schools and charities like the United Way and countless volunteer hours by team members.

That naturally Japanese and West Virginia way of giving back is something Matt Oliver passes on to his four daughters. He and his wife, Nikki, still live with their girls in St. Albans. They say they feel like they won the lottery – that they don't think they could

have stayed in West Virginia and raised a big family without Toyota.

I say this is a dream come true.”

TOYOTA TIMELINE

How Your Vision Became a Reality

January 1986

Japan Senator Jay Rockefeller travels to Toyohashi Japan, tours the Tahara Toyota plant and meets with company officials. Rockefeller is formally introduced to Dr. Shoichiro Toyoda, Chairman of Toyota Motor Corporation.

April 1987

Japan Rockefeller meets with senior members of the Keidanren (Japan Federation of Economic Organization) and lays out the economic advantages of doing business in West Virginia. Rockefeller contacts Dr. Toyoda and asks the Toyota Motor Corporation to send a representative to West Virginia to take a first-hand look at the state as a potential investment site.

October 1987

West Virginia Rockefeller and members of the West Virginia Round Table welcome members of the Keidanren Investment Mission to the Mountain State. Mr. Kouichi Watanabe, then-Senior Vice President of Toyota Motor Sales U.S.A., is a member of the mission.

April 1988

Japan Rockefeller outlines investment opportunities for members of the Chukeiren (business leaders from the Chubu region of Japan -- home of NGK and Toyota) and invites them to visit West Virginia. Again, the Senator visits Dr. Toyoda and asks him to send a senior member of the company to West Virginia.

July 1988

West Virginia Rockefeller hosts a visit by the Chukeiren to explore business opportunities in West Virginia. Dr. Toyoda sends three senior members of his staff to join Senator Rockefeller's newly formed Discover the REAL West Virginia economic development initiative.

December 1988

Washington Rockefeller hosts a dinner at his Washington home for newly-elected Governor Gaston Caperton and Dr. Toyoda, leading a wide-ranging conversation about West Virginia and investment opportunities in the state.

January 1989

Japan Rockefeller meets with Dr. Toyoda and his brother, Mr. Tatsuro Toyoda, President of Toyota Motor Corporation. Rockefeller and the Toyodas spend the morning discussing the advantages of West Virginia as a site of future Toyota investment.

December 1989

Japan During speeches he delivers at investment seminars in Tokyo and Nagoya, Rockefeller introduces Governor Caperton to the Chukeiren and the Keidanren.

January 1991

Japan Rockefeller and Dr. Toyoda meet for a private dinner in Tokyo. Their discussions include the possibility of Toyota Motor Corporation doing business in West Virginia.

January 1994

Japan Dr. Toyoda and the Toyota Motor Corporation host a dinner in honor of Rockefeller in Tokyo.

January 1995

Japan Rockefeller leads a delegation of 33 West Virginia business leaders on an unprecedented nine-day trade and investment mission to Japan and Taiwan. The Project Harvest mission builds upon recent international investment successes by West Virginia in attracting NGK Sparkplug, Shinsei Tool, and others. On this mission, Rockefeller meets again with Dr. Toyoda.

July 1995

West Virginia Mr. Toshiaki “Tag” Taguchi, member of the Toyota Motor Corporation’s Board of Directors, joins more than 10 Japanese companies as they travel to

West Virginia for a five-day trade and investment mission to tour plants, meet with company representatives, and discuss investment and trade opportunities with West Virginia businesses. This reverse-trade mission is dubbed Project Harvest, U.S.A.

August 1995

Toyota announces its plans to build a truck manufacturing facility in North America. Rockefeller immediately contacts Dr. Toyoda, asking him to consider West Virginia as a possible site for the plant.

September 1995

Rockefeller learns that Toyota quietly sent a team into West Virginia to look at the state. Rockefeller writes to Dr. Toyoda to tell Toyota that state officials and he have identified seven West Virginia sites that may meet Toyota's needs. Rockefeller then requests a meeting with Dr. Toyoda and Governor Caperton.

October 1995

Washington Rockefeller, Caperton, and members of the State Development office hold high-level meetings with Dr. Toyoda and other top Toyota officials at Rockefeller's Washington home. Rockefeller and the other West Virginia officials make a direct pitch

for West Virginia as a site for any future Toyota development.

October 1995

West Virginia Dr. Toyoda dispatches a site selection team to visit West Virginia to look at sites again.

December 1995

Washington Rockefeller meets again with Toyota officials. At this meeting, Toyota officials inform Rockefeller that they have chosen Indiana as the site for the new truck plant. They also discuss plans to build an engine plant and said they are considering West Virginia as a site.

January 1996

West Virginia Seven Toyota representatives return to West Virginia to review four possible sites for the engine plant.

February 1996

West Virginia Rockefeller and Caperton meet with members of the Toyota Site Selection Team to review West Virginia sites.

March 1996

Mr. Toshimi Onishi, then-Executive Vice President of Toyota Motor Corporation, informs Rockefeller and Caperton that the Buffalo site, in Putnam County, has been selected as the site for the engine plant.

May 1996

Charleston Senator and Mrs. Rockefeller host a private dinner for Dr. Shoichiro Toyoda, Chairman of Toyota Motor Corporation, and his wife, Hiroko. They celebrate their friendship and the news of the selection of the Buffalo site.

May 9, 1996

Charleston Rockefeller, Caperton, and then-Toyota Motor Corporation President Hiroshi Okuda, and officials of the State Development Office hold a press conference at the West Virginia Culture Center announcing that Toyota has chosen Buffalo, West Virginia, as the site to build their new \$400 million engine plant.

September 1996

Buffalo, WV Toyota breaks ground in Buffalo, West Virginia on a \$400 million plant to produce 4-cylinder Corolla engines with a projected initial workforce of 350.

January 1997

Japan Senator Rockefeller leads a delegation of twenty-four business leaders from West Virginia to Japan on the second Project Harvest Mission. The delegation meets with Toyota while in Japan.

January 1998

Japan Senator Rockefeller returns to Japan. He visits Toyota Motor Corporation for a briefing and a test

drive of Toyota's new hybrid vehicle. He later meets privately with Dr. Shoichiro Toyoda, Chairman, Toyota Motor Corporation, and Mr. Hiroshi Okuda, then President of Toyota Motor Corporation.

January 1998

Buffalo, WV Toyota announces that it will build a second factory at the plant to produce V-6 Camry engines, doubling the engine production and increasing Toyota's investment in West Virginia to \$700 million. The original plant was still under construction.

September 1998

Buffalo, WV Toyota announces another expansion of the Buffalo facility to make automatic transmissions for the Camry. This \$200 million expansion creates another 200 jobs at the facility and establishes Toyota's first automatic transmission plant outside of Japan.

December 1998

Buffalo, WV Toyota celebrates production of the first 4-cylinder engine at the facility.

January 1999

Japan Senator Rockefeller returns to Japan with a delegation from West Virginia to meet with Toyota and other suppliers touting West Virginia as a

wonderful place to do business. Senator Rockefeller flies back and forth between Japan and Washington, D.C. several times during the two week trip in order to be present for Senate votes surrounding the impeachment hearings of President Bill Clinton.

January 2001

Buffalo, WV Toyota announces its third expansion in West Virginia with the company's decision to build engines and transmissions for the Lexus RX 300 sports utility vehicle, as well as expand capacity of the 4-cylinder line adding production of the Toyota Matrix and the Pontiac Vibe at the Buffalo facility. This \$50 million investment creates 200 more jobs and makes Buffalo the first plant outside Japan to make engines for the prestigious Lexus line. Bringing Lexus power train production to West Virginia signals the confidence Toyota has in the team members at the Buffalo facility. This decision has enhanced the plant's status both within and outside the company.

July 2001

Japan Senator Rockefeller leads another delegation of business leaders from West Virginia to Japan on yet another Project Harvest mission. While in Japan, Senator Rockefeller meets with high ranking officials from Toyota Motor Manufacturing including Mr. Fujio Cho, then President of Toyota

Motor Manufacturing. He also has his first meeting with Hino Motors (a Toyota subsidiary now located in Williamstown, West Virginia). As a result of this mission, Senator Rockefeller and Governor Wise agree to host several Toyota suppliers in West Virginia in 2002.

2002-2005

The prestigious Harbor Report North America names Toyota's Buffalo plant as the Number 1 four-cylinder engine manufacturing plant in North America. The plant goes on to win seven Harbour awards over four years.

2003

Toyota is now producing engines for five North American vehicles: the Corolla, Matrix, Sienna, RX 300, and Pontiac Vibe.

April 2004

Buffalo, WV

Toyota announces its fourth expansion to make gears for the Lexus automatic transmission, adding 50 new jobs and another \$80 million in investment.

April 2005

Buffalo, WV

Toyota announces a \$120 million expansion of its engine and transmission plant which will add an additional 150 employees.

June 2005

Japan Senator Rockefeller and Governor Manchin visit Toyota City to introduce Manchin to Dr. Toyoda. Rockefeller and Manchin review Toyota's next-generation hybrid models. Rockefeller and Manchin also visit the World Exposition in Aichi, which is sponsored by Toyota and represents Dr. Toyoda's long-time dream.

May 2006

Toyota's Buffalo plant celebrates their 10-year anniversary in West Virginia.

July 2009

Buffalo, WV Toyota announces the facility will start producing engines for the company's Highlander sport-utility vehicle.

October 2009

Buffalo, WV Toyota announces the facility will start producing Rav4 engines.

March 2010

Buffalo, WV Toyota opens its on-site health care center offering health care services to team members, retirees, and their dependents.

February 25, 2011

Buffalo, WV Rockefeller and Toyota announce that Toyota will invest even more in the Buffalo facility creating 40

new jobs. They announce that the facility will start producing additional 6-speed automatic transmissions.

October 2011

Buffalo, WV Toyota celebrates their 15-year anniversary in West Virginia.

March 1, 2012

Buffalo, WV Rockefeller and Toyota announce that Toyota will invest \$45 million more in the Buffalo facility creating 80 new jobs. This will bring the total number of employees at the facility to almost 1,200 people. The facility will expand its production of 6-speed automatic transmissions.

TRANSITIONING MANUFACTURING



“Transitions are a difficult time for any industry. Upgrading demands new strategies and talent that can move businesses from a reactive mode to an offensive posture. Washington can help by encouraging research and technical training, and that has been one of my top priorities in the Senate.”

Jay Rockefeller, West Virginia Forum on Technology and Innovation, April 2001

Introduction

Early in your public service career, you recognized the changes sweeping our nation's economy and saw the grim handwriting on the wall for West Virginia's manufacturing industry that had so long supported hard working families and communities throughout the state. During your first DRWV West Virginia Forum on Technology and Innovation in 2000, you said *"If we do nothing, the New Economy will pass us by. It will be as if there had never been coal, or the chemical industry, or natural gas."* Instead of pushing aside the old to make way for the new, you set forth a broad agenda to help West Virginia's manufacturing sector transition into the new global economy.

This chapter will focus on your two-pronged strategy to help West Virginia's manufacturers succeed in the global economy through your Discover the Real West Virginia Foundation and your personal and legislative pursuits. Today, West Virginia manufacturers are benefitting from the dialog you initiated so many years ago about the need for change, your personal introductions to new business opportunities, and from your broad legislative agenda in behalf of the industry.

Overview of West Virginia's Manufacturing Industry

Manufacturing has always been an important part of West Virginia's economic history. Steel, glass, chemicals, automotive, aerospace, plastics, and wood products are all examples of the way West Virginia has been providing products nationally and globally for decades.

However, the recessions of the 1980s and other economic factors have hit West Virginia hard. Employment in the state's steel,

glass, and chemical manufacturing, as well as mining, fell by a third between 1979 and 1985. While the economy turned for the better in the 1990s, manufacturing employment in West Virginia, as well as in the U.S. as a whole, continued to decline. There are many theories as to why manufacturing employment has declined over the years ranging from: a reduced demand for manufactured goods; foreign firms out-competing domestic firms in production; American firms moving operations abroad; an increase in productivity with firms using technology to produce the same number of products with fewer workers; and insufficient investments in training and research and development, among others. Whatever the true cause or causes may be, manufacturing employment in West Virginia has declined significantly over the past several decades, from about 91,000 in 1984 to 48,000 in 2013. However, you refused to let those daunting numbers stand in the way of your trying to help revive manufacturing in the state.

Discover the Real West Virginia Foundation

Similar to your quest to open West Virginia's doors to global and private investment, your Discover the Real West Virginia Foundation was equally as important in your efforts to increase the export potential of West Virginia manufacturers and other businesses. Through the Foundation's Project Harvest trade missions to Asia, you not only sought to attract new investment, but invited a number of West Virginia manufacturers and businesses to join you to identify potential business matches between them and international business leaders. Because of your personal introductions, some West Virginia companies such as Precision Coil, Clarksburg and FCX in Morgantown benefited

immediately from new international contracts, with many others establishing invaluable contacts that would bear fruit in the future.

“These new marketplaces offer great opportunities for a wide variety of West Virginia products – from industrial machinery to chemical products, plastics, mining-industry equipment, and much, much more.”

Senator Jay Rockefeller

September 1996

Without question, your personal push to introduce West Virginia companies to exporting opportunities has yielded tremendous results – in 2013, West Virginia’s exports totaled \$8.6 billion, nearly quadruple the \$2.2 billion level of exports in 2001.

Additionally, in early 2000s, in partnership with the DRWV, you established the WV Forum on Technology and Innovation. Your purpose was to help West Virginia address the changes that were affecting the economy and to assist businesses in figuring out how West Virginia could be competitive in the new millennium. You convened the first Technology and Innovation Forum in October 2000 at Marshall University, with America Online Chairman Steve Case serving as the featured speaker. At this event, you helped to launch an uncomfortable but critical dialogue about the changes West Virginia needed to undertake in order to fight, and more importantly win, the battle for its economic survival in the 21st Century.

Building upon that conversation, you convened a second meeting of the West Virginia Forum on Technology and Innovation at West Virginia University in April 2001. This event, “Transforming

Traditional Industries through IT” the discussion was focused on how to use the world of new technology to build upon West Virginia’s deep rooted manufacturing sectors. WVU’s Industries of the Future program helped to guide the day-long discussion, which included a keynote address by Roger Mowen, CIO, Eastman Chemical Company, and presentations from experts representing the IT and manufacturing industries, government agencies, and academia.

“West Virginia’s 21st Century prosperity demands attention to our industrial bedrock; manufacturing and production must and will continue to provide a vital economic foundation for this state and good paying jobs for thousands of West Virginians. But, those industries, while maintaining their traditional role as important employers have to explore and master the non-traditional strategies and technologies that will keep them competitive.”

Jay Rockefeller, West Virginia Forum on Technology and Innovation, April 2001

This Forum confirmed what you already suspected – that West Virginia could build on all of its strengths – industrial, intellectual, and entrepreneurial – to merge its traditional industries with “new economy” technologies to reduce costs and stay globally competitive. At the conclusion of the event, you closed by saying *“Change is hard. But it’s liberating, as well, and I think any force that unleashes the potential I felt in this room today is good for you and good for West Virginia.”*

While your third and fourth West Virginia Forum on Technology and Innovation events were focused on venture capital and

biometrics, these events were certainly applicable to many West Virginia manufacturers. Overall, your forums were exceptionally worthwhile as they helped to form enduring partnerships between West Virginia's governmental, business, labor, and educational communities to continue a strong commitment to the vitality of the manufacturing industry. Today, the conversation you started over a decade ago is being actively carried out throughout the state by such entities as Workforce West Virginia, Marshall's Institute of Advanced Flexible Manufacturing Systems, the Manufacturing Extension Program at WVU, the West Virginia Industries of the Future Program at WVU, the West Virginia Manufacturers' Association, TechConnect, and the Polymer Zone Alliance.

Listening to WV and U.S. Manufacturers

Early in your Senate career you knew that you had to speak to and learn directly from those most affected by the decline in the manufacturing sector to pinpoint the most challenging issues in order to identify the legislative, appropriations, and direct hands on solutions that would truly benefit West Virginia and U.S. manufacturers. In this regard, you held numerous hearings and roundtables both in West Virginia and Washington with trade and commerce officials, experts in trade and manufacturing, and most importantly, small- and mid-sized manufacturers themselves.

West Virginia Manufacturing Events

In 1997, you and Governor Underwood co-hosted the first Manufacturer's Summit at The Greenbrier in an effort to connect with West Virginia manufacturers and discuss ways that state and federal government could help them succeed in West Virginia. This summit was one of the early ways you reached out to West

Virginia's manufacturers to learn from their perspectives, an important view which influenced your legislative efforts in Washington. The summit was extremely successful, drawing twenty-eight companies from across the state that were represented by either their CEO or Senior Vice President. John Chambers, President and CEO of Cisco Systems, gave the keynote address at the summit.

The following year, you and Governor Underwood held the second annual Manufacturer's Summit, which built off of and exceeded the success of the first, drawing a total of forty-seven industry leaders representing thirty-nine companies. You continued this tradition again in 1999, this time drawing twenty-seven manufacturing companies. These three events gave you important experience and insight into the status of manufacturing in West Virginia, and helped shape the direction of your assistance to the industry in the Senate.

In 2011, the Obama Administration outlined its new job creation strategy which included several proposals to strengthen domestic manufacturing. While you had long been focused on manufacturing before it came to the national forefront that year, you were pleased to have a partner in the White House to make some real strides in revitalizing the nation's manufacturing sector.

As such, in 2011 you held a year-long series of roundtables in which you sat down with small- and medium-sized manufacturers throughout the state to discuss the issues and opportunities they faced, as well as their thoughts on the state of manufacturing in West Virginia and America.

The series began in February 2001, when you participated in a high-technology manufacturing roundtable at the Byrd Institute of Flexible Manufacturing Systems in Clarksburg. The event was attended by members of small and medium sized high technology manufacturers from across West Virginia.

Later that same month, you participated in another roundtable focused on robotics at the Center for Applied Research and Technology at Bluefield State. The roundtable included representatives from local industries that used robotics, as well as Bluefield State and WVU faculty and Bluefield State students interested in robotics. The focus of the roundtable was on robotics technology and the training of a high-technology workforce with an emphasis on robotics.

The following month you held a roundtable at Homer Laughlin China Company in Newell, WV centered around the theme “Make it in America”. This roundtable was specifically focused on Homer Laughlin and the issues it faces, as well as how it had remained successful during such a difficult time for manufacturers. Aside from yourself, members of the company, representatives from the U.S. Department of Commerce, and representatives from local economic development agencies participated in the roundtable.

The fourth roundtable in the series was also focused on a single company, this time being Clark International Logistics and Clark Trucks located in Poca, WV. Clark Trucks both refurbishes military vehicles that they then ship all over the world and provides in-country services to vehicles worldwide, fitting in well with the “Make it in America” theme of the roundtable. This roundtable provided you with an opportunity to learn how the company has managed to succeed in the exporting marketplace,

as well as some of the issues they face as a small company working with government agencies and securing government contracts.

Later in April you held another roundtable, this time centered on glass manufacturing. Glass manufacturing, once a booming industry in West Virginia, has suffered significant decline and is now quite endangered. This roundtable brought together companies in the industry from across the state that faced significant challenges to their businesses in order to discuss these obstacles and the ways in which each company had been successful, as well as to highlight resources available to them.

Your final roundtable of the series, held in Shepherdstown in December, focused on buying locally made goods. Participants included small business representatives from across the state, all of which produced products completely in the state. The discussion centered around the challenges facing these manufacturers, particularly competition with foreign imports and large national retail chains.

These roundtables provided you with the opportunity not just to hear from West Virginia manufacturers about the issues they face, but to ask for feedback on the Administration's job creation strategies and to solicit ideas about ways you could be supportive of state manufacturers back in Washington. The information you gained from these roundtables was very valuable, providing you with important knowledge of the difficulties experienced by manufacturers in West Virginia and insights into how the federal government could help them.

Senate Commerce Committee Hearings

As Chairman of the Senate Commerce Committee, you also held a series of three hearings during 2011 to examine the decline of manufacturing across the country. The first hearing, held in March, titled “The Future of American Manufacturing”, focused on the overall picture of manufacturing in the United States, examining the scope of the industry’s decline and ideas on how to address it. Although this hearing only featured a single witness, Secretary Gary Locke of the U.S. Chamber of Commerce, you were able to collect input and ideas from him regarding how to turn America’s manufacturing decline around and how the country could remain a strong manufacturing force in the face of international competition.

The second hearing in the series was held in May and was titled “Manufacturing Our Way to a Stronger Economy”. The hearing targeted the causes of the disappearance of manufacturing throughout the United States, and ways to overcome those problems. One issue focused on was the cultural shift in attitude toward manufacturing jobs, and the need to ensure that people across the country view jobs in manufacturing as “good jobs” to have. Also discussed at the hearing was the need to ensure that training was available for skills important to the manufacturing sector. The importance of research and development, and the fact that manufacturing is responsible for generating a large percentage of R&D was also discussed in the hearing, as was the need to reduce the nation’s trade deficit, particularly with China.

The final hearing in the series, held in June, was a field hearing in Charleston titled “Making it in America: Innovate Locally, Export Globally”, which focused on the recent upsurge of exporting in

West Virginia. The hearing was intended to highlight and identify ways to increase the export capabilities of West Virginia's manufacturers, as well as to discuss existing federal and state programs that could assist in exporting.

You have continued to hold hearings on manufacturing in the Commerce Committee since your series in 2011. Most recently, you held a hearing in November of 2013 titled "The Role of Manufacturing Hubs in a 21st Century Innovation Economy." This hearing was focused on the federal role in strengthening manufacturing in the U.S., particularly in regard to the application of cutting edge scientific research and development. While America continues to be the world leader in innovation, many of the ideas that are hatched in American universities, labs, and companies end up being adopted and manufactured abroad, which has had disastrous consequences for U.S. manufacturing employment. This hearing was designed to examine the problem and look at concrete examples of what the federal government can do to utilize our nation's significant advantage in scientific research and development and bring production back to the United States.

Your Legislative Pursuits

Generally, concerns from the more traditional manufacturing industry center on U.S. policies regarding foreign competition, tax, regulation, energy, among a number of issue. However, through your recent roundtables and hearings, many manufacturers were also focused on recruiting and training the next generation of technologically skilled workers, encouraging innovation, expanding R&D, and expanding export opportunities.

Because the following chapter focuses exclusively on the steel industry and your legislative record on trade protections and relief for workers negatively impacted by trade, below are some of your legislative pursuits that seek to address the more recent concerns that have been brought to your attention by the manufacturing industry.

Improving Productivity: Through your America COMPETES Acts of 2007 and 2010, you have been a huge proponent of the Manufacturing Extension Partnership (MEP). Created by former Senator Fritz Hollings in 1988, MEP established a network of federal, state, and industry advisors to improve the productivity of American manufacturers. The program has steadily won supporters over the years, resulting in nearly 400 MEP offices around the country. MEP advisors share best practices with manufacturers in areas from process improvement (lean manufacturing) to technology development to workforce assistance. Since the program began, tens of thousands of manufacturers have relied on MEP services. West Virginia University administers the West Virginia MEP program, in close collaboration with WV Industries of the Future program, which provides industry with assessments and guidance on efficiency efforts that can be taken to reduce energy costs.

Expanding Investment in Research and Development: Many of the today's manufacturers recognize as you do that research and development investment is the catalyst of future job growth. As a senior member of the Senate Finance Committee, you have fought to enhance investment through the tax code. In 2010, you shepherded an extension of the New Markets Tax Credit through both bodies of Congress and into the year-end tax bill. The credit

covers 39 percent of the cost of new investment in low-income areas or by low-income individuals. Funds have been used through this program to build stores, manufacturing plants, and even health care facilities. The year-end tax bill also extended the Research & Development tax credit through 2011. You are a long-time supporter of this credit which encourages businesses to make domestic investments and create jobs.

Through your America COMPETES Act legislation, you have worked to strengthen the roles of the National Science Foundation, the National Institute of Standards and Technology, Office of Science and Technology Policy, and other federal agencies to support private sector job growth.

Encouraging Innovation: Many businesses have been advocating for a stronger national emphasis on innovation. As a senior member of the Senate Finance Committee, you helped pass several important tax incentives for businesses to expand production and create new jobs. For example, the year-end middle class tax cut bill included 100 percent bonus depreciation for businesses for new investments made in 2011. This means businesses can write off 100 percent of any investments they make in new equipment this year. As previously mentioned, you also fought for extensions of the New Markets tax credit and the Research and Development (R&D) tax credit, both of which encourage new businesses to be built and to expand their operations, thereby creating jobs.

Workforce of the Future: According to a 2009 survey by the National Association of Manufacturers, 51 percent of American manufacturers reported shortages in skilled production workers

(such as machinists and technicians). Your America COMPETES Act is an important tool in fostering and educating a future workforce in science, technology, engineering, and math (STEM).

Taxes: You have long recognized that a healthy economy and favorable tax environment are two factors that can help small- and medium-sized businesses thrive. As a member of the Senate Finance Committee, you worked on several pieces of legislation that have become law that help small West Virginia manufacturers. The Small Business Jobs Act (September 2010) assists small business owners and their employees by promoting job creation through a combination of tax cuts, enhancements to Small Business Administration (SBA) loan programs, and the development of new community bank lending facilities.

Through the Unemployment Insurance Reauthorization and Job Creation Act (December 2010), in addition to extending unemployment benefits, this law extended tax cuts across the board for West Virginia individuals and businesses. Because most small businesses don't file taxes as corporations (they pay individual income tax rates) they received the same tax cut extensions from this bill as every other American. The law also provided a Payroll Tax Holiday to give every employee a 2 percent tax break on their income up to \$106,800, and it allows businesses to immediately depreciate right away 100 percent of the cost of new equipment purchased in 2011.

Expanding Export Opportunities: While West Virginia companies have shown tremendous export growth, you recognized that if manufacturers are to succeed in the global

economy, more companies will need to explore new sale export opportunities and have supported legislation to this end.

You were a cosponsor on Senator Klobuchar's Export Promotion Act of 2010, which was designed to facilitate greater involvement of small and medium-sized manufacturing businesses with the Department of Commerce in promotional activities for global exporting. This bill could have provided many small and mid-sized manufactures across the country with valuable assistance in discovering how to export their goods and breaking in to new markets. Although through your efforts this bill was passed out of the Commerce Committee, it was unfortunately not taken up by the full Senate and placed on the Legislative Calendar under General Orders, where no further action was taken.

Advanced Manufacturing: Consistent with your long-held belief that manufacturers need to embrace new technologies and process, you have championed advanced manufacturing initiatives. The recently passed FY 2015 Omnibus Appropriation bill codifies H.R. 2996, the Revitalize American Manufacturing and Innovation Act, which creates a network of manufacturing institutes as administered by the Department of Commerce. H.R. 2996 is very similar to S. 1468 (of the same name), which was introduced this year by Senators Browns and Blunt and which the Commerce Committee favorably reported, as amended, on April 9. These manufacturing institutes would serve as a network of private-public "hubs" whereby government, industry and academia would endeavor to pursue promising new technology that would further advanced manufacturing. Often, advanced research and development in laboratories never become commercially viable, because of a lack of practical funding and/or

knowledge. The purpose of these manufacturing institutes would be to bridge this gap – colloquially known as the “valley of death” – in order to help translate promising R&D into commercial success on the factory floor.

STANDING WITH STEEL



“There’s that moment on the steps of the United States Capitol in 1999, where we rallied to save steel jobs. Your voices were so loud. So passionate. I am convinced the President could hear us all the way down at the White House.”

Jay Rockefeller, USW Lifetime Achievement Award, March 2014

Introduction

Although steel falls under manufacturing, we single out steel as a separate chapter because over the course of your career you have been the undeniable champion for the steel industry in West Virginia and throughout the country, earning you the nickname “Senator Steel”.

The steel industry has long been a cornerstone of West Virginia -- in its economy, its culture, and its people. Steelworkers in West Virginia have provided the steel that helped build this nation, from the cars and planes that carry people across the country, to the cities and towns they travel to. Your efforts to protect the American steel industry rise from your belief in the importance of a strong manufacturing base, your respect for the people who helped build this country, and your certainty in the importance of steel to West Virginia.

Unfortunately, the steel industry both in West Virginia and across the country has undergone significant change and dramatic downsizing over the past several decades. Companies like Weirton Steel, once West Virginia’s number one private employer with approximately 14,000 workers at their height, have shrunk to a fraction of their former selves. Today, the top employers include companies such as Wal-Mart, United Health Systems, Charleston Area Medical Center, and Kroger grocery stores. This national decline in steel has primarily been caused by an influx of cheap foreign imports that decreased the price of steel in America, causing numerous mills to go out of business. These imports in turn stemmed from the Asian financial crisis of the late

1990's which devalued Asian currencies and allowed for the import of artificially cheap steel from Japan, Russia, Korea, and other countries. Although American steel was able to regain its footing, thanks in no small part to your work, the impact of these imports, along with other pressures, are still visible today.

While these declines have had a significant detrimental effect on the industry, they would have been catastrophic had it not been for your firm and unwavering support for the American steel industry. You have been honored for this steadfast support multiple times by the steel industry throughout your career. In March 2014, the United Steel Workers presented you with the "Lifetime Achievement Award" and, most recently on December 3rd, 2014, you were presented the Commendation for Excellence by the AISI Board of Directors, and a Certificate of Appreciation by the Specialty Steel Industry of America. They recognized that, if not for your work, the industry's decline would have been much more rapid, thousands of jobs would have been lost in Weirton and other communities along the Ohio River decades ago, and the American steel industry very well may have collapsed altogether.

Overview of Your Work in Behalf of the Steel Industry

In the trade realm, beyond simply voting against trade agreements that the USW found to be harmful, throughout the late 1990s and early 2000s you actively pushed a trade agenda to keep American steel competitive with cheap foreign imports. As an example, after the Asian financial crisis made it harder for American Steel producers to compete with cheap imports, you

launched a multi-year effort to impose tariffs on imported steel. You ultimately succeeded in pushing President W. Bush to use his authority, called “Section 201”, to temporarily levy tariffs in 2002, a move that is credited with restoring steel prices to historic levels and enabling the industry to regain its footing and adjust to foreign pressures.

Much of your work in this area was launched through your position as Co-Chair of the Senate Steel Caucus, a position you retain today. Additionally, you have testified before the International Trade Commission on illegal trade practices at least 9 times.

In the current Congress, you have continued your support for trade legislation that would benefit the American steel industry and other U.S. manufacturers. Specifically, you were a cosponsor of Senator Brown’s *Currency Exchange Rate Oversight Reform Act of 2013*, which would have prevented countries like China from devaluing their currencies in a way that artificially deflates the cost of their imports into the United States. Unfortunately, this bill was referred to the Committee on Banking, Housing, and Urban Affairs in June of 2013 without a vote.

You have also been instrumental in making sure that laid-off employees, retirees, and their families are protected in the process, primarily through Trade Adjustment Assistance (TAA) that provides income support and job training. In the current Congress, you and Senator Brown were the lead sponsors of a bill to permanently reinstate the expired Health Coverage Tax

Credit, to pay 80 percent of the cost of health insurance for employees who have been laid-off because of foreign trade.

Beyond your broad legislative work on trade issues, you have remained intimately involved in company-specific matters of great importance to West Virginians. As Governor, in 1978, you initiated talks between Nisshin Steel of Japan and Wheeling-Pittsburgh Steel, resulting in the creation of a joint venture coating facility in Follansbee, called Wheeling-Nisshin, which was the first Japanese investment in the state. Beginning in 1982, you prevented 10,000 job losses at Weirton Steel by helping the employees buy the company through the creation of the largest Employee Stock Ownership Plan (ESOP) at the time.

Additionally, in 1986 and 1996 you intervened to help resolve two longstanding strikes involving thousands of employees at Wheeling-Pittsburgh Steel, by convening meetings in Washington, D.C. and at a hotel near the Pittsburgh airport. And most recently, you helped resolve a strike involving 1,000 employees at Constellium in Ravenswood and have championed the Century Aluminum retirees' ongoing efforts to receive their promised health care benefits.

Your Work on Behalf of Individual Steel Companies

While the section above provides just a few examples of your work on behalf of the steel and metals industries, below is additional information on your work on the following topics: Wheeling-Nisshin; Weirton Steel (now ArcelorMittal); Wheeling-Pittsburgh Steel (now RG Steel); Century Aluminum; Constellium;

Trade Protections for the Steel Industry; and Relief for Trade-Impacted Workers.

Wheeling-Nisshin

One of your earliest actions on behalf of the steel industry occurred during your Governorship in 1978, when you initiated talks between Nisshin Steel of Japan and the Wheeling-Pittsburgh Steel Corporation. Your work resulted in an announcement in 1983, from the Governor's press room in Charleston, that the two companies would be establishing a joint venture steel-coating facility in Follansbee, called Wheeling-Nisshin. Wheeling-Nisshin officially broke ground in December 1986 and opened its doors in 1988. At the time, it was the first computerized steel-coating facility in the country. This facility was also the first Japanese investment in the state and the first joint venture between Japanese and West Virginia private businesses.

In 2008, Nisshin Steel of Japan bought out all remaining shares owned by Wheeling-Pittsburgh Steel, and continues to employ close to 200 people at the Follansbee facility. In 2012, the company announced that it was adding a new product line, a corrosion-resistant alloy called ZAM.

Weirton Steel

For several decades, Weirton Steel was a major employer in the Northern Panhandle and, as noted above, was the largest employer in the state at one time with 14,000 employees. Although the company ultimately went bankrupt in 2003 – and now employs only 950 people through its current owner, ArcelorMittal – without your help the company would have

collapsed decades ago, leaving thousands more West Virginians without a way to earn a living.

Your work with employees at Weirton Steel began in February 1982, when National Steel announced its plans to either downsize production in Weirton or close the mill entirely. At best, this decision would have reduced the size of the workforce from 10,000 employees to 2,000; at worst, all 10,000 employees would have lost their jobs. Shortly after this announcement, you flew to the Northern Panhandle to pledge your support to the workers and their families. As part of your support, you instructed Miles Dean, who was the head of Economic Development in your office, to move to Weirton and work with the employees, labor, and National Steel to find a way to keep the mill open.

While in Weirton, Mr. Dean worked with employees to begin the process of purchasing the mill and your office provided \$125,000 for a study into the feasibility of the ESOP. After two years of working on the issue, in 1984 the employees at Weirton Steel purchased the company, creating the largest ESOP in the country at the time.

For nearly the next twenty years, Weirton Steel remained in operation. The rest of the 1980s were profitable for the company but, like much of the steel industry nationwide, fell victim to cheap imports in the 1990s. In 2003, the company was forced to file bankruptcy and most of its assets were sold to International Steel Group (ISG). The next year, ISG sold Weirton Steel to Mittal, who continues to own the mill.

ArcelorMittal

Since the time Mittal acquired Weirton Steel, you have remained vigilant in pushing the company to protect jobs and facilitate newer forms of economic development in the community. Not long after purchasing the mill, in 2005 and 2006 Mittal made the decision to close Weirton Steel's hot end plant, laying off over 1,000 workers in the process. That December, you met with CEO Lou Schorsch to express your anger over the decision and issued a press release stating that you were going to "follow him around the world and make his life miserable". When it became clear that Mittal was not going to reopen that portion of the mill, as far back as 2007 you began pushing the company to part with some of its developable land so that the community could attract new industries. Since then, you have held multiple meetings with local business leaders, economic development officials, and local officials to discuss the future of Weirton and have been in sustained contact with officials at ArcelorMittal, including CEO of ArcelorMittal USA Mike Rippey, encouraging them to either develop the land and bring people back to work, or to sell it to someone who will. As of March this year, the company still has not sold its holdings in Weirton, despite being contacted by several interested parties, including the Business Development Corporation of the Northern Panhandle.

Wheeling-Pittsburgh Steel

Like Weirton Steel, Wheeling-Pittsburgh Steel was once a major employer in the steel industry, with upwards of 8,500 workers in the early 1980s. However, it too has fallen on hard times. The company filed for bankruptcy in 2000 and was acquired several times in the succeeding years. Esmark bought the company in

2007; Russia-based Severstal bought it in 2008; and RG Steel bought it in 2011. RG Steel then went bankrupt and liquidated in 2012. Although some of its facilities were purchased in the liquidation – including one that was bought by its former owner, Esmark – the mills have not yet reopened.

Prior to its collapse, you were instrumental in resolving two longstanding labor-management disputes in the 1980s and 1990s that otherwise could have crippled the company. The first strike occurred on August 19, 1985, when 8,200 employees walked off the job because of a decision by the company to annul its labor contract and impose an 18 percent reduction in benefits.

When initial negotiations faltered, you convened a meeting in Washington, D.C. between Wheeling-Pittsburgh's CEO Dennis Carney and the USW's District Director Paul Rusen to force a continuation of the stalled dialogue. Later, when negotiations broke down again you flew to Pittsburgh and brought both sides together to broker a wage and labor package that could be supported by management and labor. You also went to New York with the company's leaders to meet with banks, and pushed General Motors to renew steel orders from the mill. Ultimately, your efforts were successful. On October 26, 1985, the employees voted to approve the new contract by a 7 to 1 margin, thus ending the 98-day strike. You were on-hand in Wheeling as workers accepted the new contract.

A second dispute between labor and management led to another strike at the company on October 1, 1996, as a result of a fight over pension benefits. This strike lasted for 10 months and was

resolved with your assistance. During the process, you convened several negotiations, including meetings with the USW and company leadership at a hotel near the airport in Pittsburgh.

RG Steel

In May 2011, RG Steel acquired several steel facilities from Russia-based Severstal, which had previously been owned by Wheeling-Pittsburgh Steel. At the time, these facilities in West Virginia, Ohio, and Maryland employed upwards of 3,000 people, including close to 1,000 West Virginians. As part of the deal, RG Steel took out a line of credit from 11 different banks, but in the months that followed was unable to run a profit and faced serious financial uncertainty.

When RG Steel began laying off employees at its Maryland-based Sparrow's Point facility, Leo Gerard requested that you contact General Electric, one of RG Steel's largest creditors, to share your concerns about the company's liquidity problems and the USW's concerns that General Electric was forcing RG Steel into bankruptcy. You spoke directly with General Electric CEO Jeff Immelt and wrote letters to RG Steel's owner Ira Rennert, GE Capital's CEO for the Americas Dan Henson, and Wells Fargo CEO John Stumpf, encouraging them to protect jobs.

Because of your outreach, RG Steel secured enough cash in January 2012 to rehire its laid-off employees at Sparrow's Point and avoid laying off workers in West Virginia and Ohio. However, the financial problems continued and RG Steel filed for bankruptcy in May 2012. In response, you sent a letter to Mr. Rennert asking him to do everything possible to preserve jobs

and protect employee and retiree benefits. You also sent letters to Internal Revenue Service Commissioner Douglas Shulman and Department of Labor Secretary Hilda Solis, asking them to assist RG Steel's laid-off employees and retirees in accessing federal benefits, such as Trade Adjustment Assistance (TAA) and the Health Coverage Tax Credit (HCTC).

Your efforts paid off for RG Steel employees and retirees. TAA petitions were approved for all of RG Steel's facilities, which includes those in Wheeling, Follansbee, and Beech Bottom, West Virginia. As a result of the approval of these applications, after the employees' Unemployment Insurance (UI) expired, they were eligible for an additional 54 weeks of income support, \$1,250 in funding for job search activities, \$1,250 in relocation expenses, and the Health Coverage Tax Credit.

Century Aluminum

Few battles in the steel and metal industries have been as visible in recent years as the fight to restore health care benefits for retirees at Century Aluminum. You have been their clear champion on this issue, but your history with these USW members dates back much farther. In the early 1990s, when it was Ravenswood Aluminum Corporation (RAC), you stood in strong support of the workers who were locked-out of the plant by new owners for 20 months, from October 1990 to June 1992. Marc Rich, who you will recall was later pardoned by President Clinton, was the power behind-the-scenes at the RAC facility. In 1990, in a premeditated effort to break the union, RAC locked out its 1,700 workers and hired permanent replacements.

As the contract deadline neared, RAC installed surveillance cameras, new security systems and a chain-link fence around the perimeter of the facility. The night of the lockout, the company brought in a goon squad security force equipped with riot gear, clubs, tear gas, and video cameras used to constantly monitor the workers' pickets. The security forces introduced a climate of fear, making violence on the picket lines and in the town an ever-present fear. Caught unprepared, the Steelworkers' local was able to keep all but a handful of workers from crossing the picket line and union solidarity was strong and militant, but RAC proved willing to wait the workers out.

As the lockout progressed, the Steelworkers' international union became engaged, and eventually launched a corporate campaign to complement the local's efforts. That corporate campaign took them to Marc Rich. The Ravenswood plant, which had been owned by Kaiser Aluminum for four decades, passed into the ownership of RAC in 1988. The union discovered that behind a convoluted corporate ownership smokescreen stood one man with a controlling interest in RAC: Marc Rich.

It is unlikely that Rich initially knew what RAC was up to when the lockout began – RAC was just a piece in his global corporate puzzle. But about four months into the conflict, the union had made the Rich connection and was calling on him to end the lockout. For 20 long months, the workers lived on minimal strike benefits, six months worth of unemployment benefits, and donated food and supplies. Being out of work for so long, even from a lockout where union solidarity remained high, took an emotional toll to match the financial one. Workers and their

families suffered. The wives of the Steelworkers set up what became known as “Fort RAC” to provide meals, school supplies, and other items to workers and their families.

As the Steelworkers tracked Rich to Switzerland and began applying pressure on his business operations in Europe, the corporate campaign moved to a new plane and the union discovered how extensive Rich’s reach was. Soon, they found themselves negotiating with Leonard Garment, White House Counsel under Richard Nixon, and William Bradford Reynolds, the number two at the Reagan Justice Department, both of whom worked for Rich.

As the Steelworkers’ campaign got closer to Rich’s significant financial interests, union representatives received numerous death threats. When left-leaning Michael Manley was elected president of Jamaica in 1989, the Steelworkers were hopeful he would follow through on promises to cut his predecessor’s close ties to Rich – ties that gave Rich access to Jamaica’s alumina at less than half the market rate. But when Manley faced immediate pressure from the International Monetary Fund to raise foreign capital, Rich gave the government a \$50 million cash advance. Manley then backed down from efforts to end the Rich connection.

But the Steelworkers’ comprehensive international campaign did achieve major successes, including blocking Rich’s purchase of the Slovakian National Aluminum Company and a majority stake in a luxury Romanian hotel, convincing Budweiser and Stroh’s beer companies not to buy RAC aluminum, and heaping

unwanted publicity on Rich. Meanwhile, local solidarity remained strong.

This all cost Rich. In April 1992, he finally moved to replace management at RAC and end the lockout. The final contract terms were not entirely favorable to the workers, but they had at least succeeded in defeating the company's vicious attempt to bust the union.

You stood in solidarity with the USW and the Ravenswood community during the entire lock-out. Those steelworkers and their wives who kept Fort RAC running for 20 months have never forgotten what you did for them and still say today that you will always be their champion. You visited Fort RAC several times and continued to convey your public support for the employees. Leading up to the lockout, you also wrote letters to the Occupational Safety and Health Administration asking them to investigate injuries and 5 deaths at the mill, and called for an EPA investigation into its pollution of the Ohio River, citing the company's "disregard for human life".

More recently, in December 2008, when Century Aluminum announced that it was shutting down its smelter and laying off 650 workers, you took several steps to save the plant including directly calling Century's CEO Logan Kruger, writing letters to Kruger, U.S. Trade Representative-designee Ron Kirk, and Century's power supplier, Appalachian Power, urging them to look for solutions. Then, in 2010, when Century announced that it was unilaterally terminating health care benefits for hundred of retirees, you were very critical of the company and took several

steps in support of the retirees, including urging Kruger and his successor, Mike Bless, to reconsider the decision; writing letters to Labor Secretary Solis, asking her to find ways to provide retirees with health care; and meeting directly with the retirees to discuss the issue.

In February 2012, you worked directly with CEO Bless to help craft a settlement that would have partially restored benefits for the retirees. But, that agreement was contingent on Century's ability to reopen its smelter. Despite receiving tax breaks from the West Virginia Legislature, and a reduced power rate from the West Virginia Public Service Commission, Century has not yet reopened the plant and retiree benefits have not been reinstated. Your staff remains engaged with the retirees on this issue. Their best hope at this time for the restoration of benefits is an ongoing lawsuit pending in federal court in West Virginia, but a victory in that case seems unlikely.

Constellium

The other aluminum producer in Ravenswood, Constellium, continues to operate its mill and employs approximately 1,000 people, including 700 USW members. In the summer of 2012, employees at the mill went on strike because of the company's proposal to reduce, but not eliminate, health care benefits for retirees. Throughout the process, you remained in close contact with Constellium's North America CEO Kyle Lorentzen, as well as Leo Gerard, and ultimately facilitated conversations that led to a collective bargaining agreement. At a critical juncture, when it looked like the local union was going to prevent members from voting on the contract, you publicly urged them to vote, resulting

in passage of the contract and an end to the month-long strike. The deal provided workers with a \$7,500 ratification bonus, a 2.5 percent wage increases in each year of the contract, and a modest cost-sharing proposal for health care benefits.

Fighting for Trade Protections

As mentioned above, much the American steel industry's problems have resulted in unfair trade and cheap imports from foreign countries. As a result, a large body of your legislative work on the industry's behalf has been in the trade arena. Throughout your career, you have introduced several bills in the Senate to level the playing field for American steel manufacturers. Your first bill on this topic, the *Steel Import Stabilization Act of 1989*, would have extended a limit on steel imports into the United States. That bill was followed in subsequent years by more targeted legislation in 1993 to impose tariffs on imported steel pipes; co-sponsorship of Senator Mike DeWine's bill in 2000 to take fines that were imposed on foreign entities that illegally dumped products in the United States, and redistribute that money to the American industry; your 2001 *Save the American Steel Industry Act* to provide grants to the steel industry to modernize their operations, and establish a fund to protect retiree benefits; and your *Strengthening America's Trade Laws Act of 2011* to tighten the rules in anti-dumping cases and make it harder for companies overseas to dump underpriced products on U.S. markets.

One of your most important victories arose out of the Asian financial crisis in the late 1990s that devalued Asian currencies and artificially deflated the cost of imported steel in the United States. As a result of the negative impact on American steel, you mounted a multi-year effort to impose tariffs on imported steel. During that time, you held large Stand Up for Steel rallies at the Capitol in 1999 and in front of the White House in 2001, and continually pushed Presidents Clinton and W. Bush, through letters and meetings with the Presidents and Administration officials, to use their authority, called “Section 201”, to levy tariffs on imported steel.

In 1999, you secured Floor time for a vote on a bill you sponsored, called the *Stop Illegal Steel Trade Act*, to impose quotas on the amount of steel that could be imported into the United States, but it was defeated 42-57. Although this vote signaled an unfortunate lack of support for the steel industry in the Senate, you continued to fight for the imposition of tariffs and ultimately succeeded in March 2002, when President Bush agreed to impose up to a 30 percent tariff on imported steel products. Although only temporary (about 18 months), the tariffs are credited with giving the industry some flexibility to readjust its business model to compete with foreign imports. Even after the tariffs were implemented, you continued to push for improvements and publicly criticized the President for issuing exemptions for certain products.

Much of your work on trade issues was facilitated by your position as Co-Chair of the Senate Steel Caucus. Between 1998 and 2003, the caucus held several hearings, public meetings, and

briefings on the crisis facing the steel industry and other unfair trade policies. The work of the caucus is credited with publicizing the fight and forcing the Bush Administration to impose the Section 201 tariffs in early 2002. After years of inactivity, last year you re-launched the Steel Caucus along with Senator Sessions as Co-Chair and Senators Brown and Toomey as Vice Chairs. Upon your retirement, Senator Brown will take over as Co-Chair with Senator Sessions.

In addition to your legislative actions, you have also consistently pushed the International Trade Commission to impose penalties on foreign industries that are found to have illegally dumped their products in the United States. Specifically, you have testified nine times before the Committee on issues ranging from Brazilian and Russian steel to Japanese tin (earning you the nickname “Tin Man”) to Chinese paper (on behalf of a USW-represented paper mill in West Virginia). Further, you have consistently opposed trade deals that the USW believes are harmful to the American steel industry, namely the North American Free Trade Agreement of 1993, the Central American Free Trade Agreement of 2005, and the South Korea Free Trade Agreement of 2011.

Relief for Trade-Impacted Workers

A major part of your trade agenda has included relief for employees who have been laid-off because of America's trade policies. The key federal program that delivers support to workers is the Trade Adjustment Assistance (TAA) program, which includes income support, job training, moving expenses, and the now-expired Health Coverage Tax Credit to pay a large portion of

the employee's family medical insurance. Altogether, the TAA program has provided hundreds of millions of dollars per year – and in certain years nearly \$1 billion – to help employees who lost their jobs because of foreign trade. At critical junctures, you have directly assisted 75 individuals in their claims for benefits under this program, and have weighed in on behalf of whole companies for these benefits, such as RG Steel's workers. These benefits are literally a lifeline to thousands of West Virginians, especially steelworkers.

Beyond direct intervention on behalf of employees, you have worked through the legislative process to improve this program more broadly for workers in West Virginia and throughout the country. In 2002, you worked as part of the Finance Committee to create the first Health Coverage Tax Credit program, which was originally designed to provide a tax credit to pay for 65 percent of a laid-off employee's health insurance. During consideration of the *Recovery Act* in 2009, you specifically fought to include a provision to expand the HCTC to pay 80 percent of an employee's health insurance premium. After a GAO report concluded that many employees still could not afford health insurance even with the 80 percent tax credit, you introduced the *TAA Health Coverage Improvement Act of 2011*, to increase the tax credit to 95 percent.

As it stands, the HCTC expired at the beginning of this year, and in anticipation of that fact, you introduced the *Health Care Coverage for Displaced Workers Act of 2013*, which would permanently reauthorize the program. You also cosponsored an amendment with Senator Brown to extend the program for one

year during the Finance Committee's consideration of the Medicare Sustainable Growth Rate "doc fix" bill. Chairman Baucus would not allow votes on HCTC amendments on the doc fix bill, but was amenable to considering the issue in the future. Reauthorization of this program remains a top priority for USW employees in West Virginia, but in the meantime, with assistance from your office and Affordable Care Act Navigators, they have been helping their laid-off members sign up for coverage through the Exchanges.

GROWING THE TOURISM AND TRAVEL INDUSTRY



“There is nothing as majestic as being among the mountains, rivers and forests in West Virginia. It’s the greatest place in the world to be outdoors.”

Jay Rockefeller, Great Outdoors Month column, June 2013

Introduction

This chapter focuses on your long-term strategy to promote and grow West Virginia’s tourism and travel industry. Today, West Virginia benefits from \$4.38 billion in travel-generated spending. This record-level spending is largely attributable to investments and groundwork that you laid as Governor and continued to pursue in your Senate career.

You have been keenly aware that in some areas of the State (for example, Snowshoe and White Sulphur Springs), tourism is one of the primary sources of earnings and employment. You were also aware that travelers visiting the state not only benefit the tourism industry directly, but a range of other businesses as well, such as service and retail stores, lodging establishments, restaurants, recreation-oriented businesses, gas stations, transportation, and other travel related services. The money that is spent on these goods and services in West Virginia profits these establishments, which in turn employ West Virginians. State and local government units benefit from the travel industry as well through the collection of taxes on the sale of goods and services and on the income generated by these sales.

“You see, I know that once people experience West Virginia, it stays with them. West Virginia is mountain vistas and rushing rivers and the sound of train whistles. It is quiet towns and vibrant cities. But even beyond those things, West Virginia is its people – and that is what keeps tourists coming back. “

Senator Jay Rockefeller,
remarks for the West
Virginia Governor’s

Governor Years

As Governor, increasing tourism was one of the hallmarks of your administration because you saw the enormous impact it had on local economies. Below are some your key accomplishments related to tourism during your two terms.

- During your first term, the travel industry doubled from \$500 million to \$1 billion and the annual Travel West Virginia promotions began.
- You directed WVEDA investments into major tourism facilities for the first time in the state's history because you knew tourism meant jobs and revenue for our state.
- You championed the whitewater rafting industry and worked to make the state's world class whitewater industry a major tourist destination.
- You realized the importance of the ski industry for our state and dedicated funds to develop Winterplace.
- Both you and Mrs. Rockefeller set up programs to showcase the stunning works of our West Virginia quilters and artisans.
- Under your leadership, major construction and renovation projects included an overall investment of \$20 million for capital improvements at State Parks and recreation areas.
- Your administration developed and opened Beech Fork State Park in Wayne County.
- You created the Blennerhassett Island Commission which oversaw the restoration of Blennerhassett Island and the establishment of the Blennerhassett Museum. Your administration provided over half a million dollars for the reconstruction of the Blennerhassett Mansion on the island. This is still a top tourist destination in the state today.

- The Annual Vandalia Gathering, Dance Festival, and Jazz Festival started during your days as Governor. The festival is still held Memorial Day weekend every year at the State Capitol.
- Mountaineer Field was completed and game ready in September 1980.
- During your second term, you nearly tripled the travel and tourism industry in West Virginia to just under one and a half billion dollars annually in direct sales and increased the number of West Virginians taking vacations in the state.
- During your second term, the travel and tourism industry became the state's third largest industry and second largest employer.
- Your administration increased private investment in new travel facilities to over \$300 million and increased the state's travel advertising program by a full 60 percent.
- You opened the Governor's Mansion to regular tours that resulted in over 750,000 visitors during your 8 years in office.
- During your second term, major construction and renovation projects included an overall investment of \$20 million for capital improvements at State Parks and recreation areas.
- You assigned Camp Washington Carver to the Department of Culture and History, funded the restoration of the camp, and opened it for full programming in the spring of 1984.
- You worked with the Army Corps of Engineers to create Stonewall Jackson Lake in Weston.
- You completed the New River Gorge Bridge, one of the state's best-known attractions, while Governor.

Senate Years: Your Legislative Pursuits

Your commitment to promoting tourism continued throughout your tenure as a U.S. Senator and as Chairman of the Commerce Committee. In these capacities, you advanced legislation that supported investments to enhance and protect West Virginia's breathtaking natural and historical assets – its national parks and rivers, forests, and wildlife refuges, as well as legislation that supported U.S. tourism more holistically.

“One of [West Virginia’s] most defining characteristics is its extravagant natural beauty. Blessed with icy native trout streams, majestic deep-forest hardwood stands, and lush groves of rhododendron, West Virginia is almost heaven to many people.”

Congressional Statement, West Virginia Day, June 20, 2002

New River Gorge National River, 1986

You, along with Senator Byrd, introduced legislation to authorize the acquisition of land for construction of a New River Gorge Administrative Headquarters and Visitors Center, as well as a maintenance facility, in Glen Jean, WV. At the time your New River Gorge amendment was adopted, you took to the floor saying:

“Over a quarter of a million visitors come to the New River each year. For whitewater rafters, the New River is one of the best rafting rivers in this country. For anglers, the New River has long been a favorite fishing spot. For the local community, the river is an important source of jobs and economic activity in the southern part of my State that has severe economic problems. Given the sheer volume of New River visitors, it's important that the river be well run and adequately maintained -- and it needs the facilities to do that.”

Your amendment was ultimately included in a bill to amend the Wild and Scenic River Act Amendments, which was signed into law on October 30, 1986.

The headquarters and visitors center was built to promote tourism along the New River Gorge and helped create new jobs in West Virginia's travel industry. In addition to boosting the local economy, the new Glen Jean site consolidated and vastly improved the National Park Service's New River Gorge operation, ensuring that information and services for park visitors were located in a centrally accessible place.

West Virginia National Interest River Conservation Act, 1988

In 1987, you introduced the West Virginia National Interest River Conservation Act. Congressman Rahall introduced companion legislation in the House. The bill established a portion of the Gauley River and the lower portion of the Meadow River as national recreation areas, and designates the lower portion of the Bluestone River as the state's first scenic river. The bill also provided boundary modifications in the New River Gorge National River. Furthermore, the legislation provided federal protection, funding, and increased public awareness through support from the National Park Service.

The final package did not seek federal designation for the Greenbrier River. Prior to introducing your version of the bill in the Senate, you held public meetings in Pocahontas and Greenbrier counties to gather local opinion on the proposal. The meetings indicated strong public opposition to the inclusion of the Greenbrier. Thus, you had the protections for the Greenbrier River removed from your version of the bill.

When the Senate approved the West Virginia National Interest River Conservation Act you released the following statement:

"My rivers bill is aimed at preserving the pristine nature of three magnificent rivers in southern West Virginia by bringing them under the protective federal umbrella. National status will also provide unique exposure to promote tourism around these rivers...Tourism is a leading industry in West Virginia. But we must do more to aggressively promote our tourist attractions including our whitewater rivers. Federal status will guarantee these rivers national, and even international, exposure in tourism brochures published by the National Park Service."

The bill passed in the House 344-39 and was agreed to in the Senate by Voice Vote. The bill was signed into law on October 26, 1988.

Harpers Ferry National Park Addition, 1989

You were an original cosponsor of legislation introduced by Senator Byrd to enable the National Park Service to accept a donation of private land to expand the boundaries of the Harpers Ferry National Park.

The private land located in the area called Bolivar Heights was donated by Brad and Ruth Nash. The Nashes have donated altogether 28 acres to the Harpers Ferry National Historical Park. This specific piece of property witnessed significant activity during the Civil War. The most noted historical event was the role this area played in the Battle of Harpers Ferry, one of the most serious Civil War battles in West Virginia. On September 15, 1862, as a result of fire from Loudon Heights and School House

Ridge, the Union was forced to surrender Bolivar Heights. This was the largest capitulation of Union troops during the war.

In April 1989, you gave an opening statement in support of the bill before the Senate Subcommittee on Public Lands, National Parks, and Forests. At the hearing you thanked Mr. Nash, who was in attendance, for his generosity. The legislation was enacted in October 1989 and the park was successfully expanded.

The Cranberry Wilderness boundary in the Monongahela National Forest, 1990

You successfully included an amendment to the Department of the Interior and Related Agencies Appropriations Act of 1991 to modify the Cranberry Wilderness boundary in the Monongahela National Forest. This amendment removed a few acres from the existing wilderness boundaries so that an acid neutralization and liming project could be constructed to enhance the fish population in the Cranberry River.

You introduced the modification of the boundary to permit for the construction of an acid neutralization facility on the North Fork of the Cranberry River. The North Fork of the Cranberry is one of the three major tributaries on the headwaters of the river. Under the amendment, less than 5 acres were to be deleted from the Wilderness Area near the mouth of the North Fork of the Cranberry River. The same acreage would be added to the Cranberry Wilderness at another location.

When you took to the floor to discuss your amendment you stated that:

“It is imperative that the Cranberry River be restored to its original splendor as a habitat for aquatic life. All interested groups support this legislation. The benefits that will accrue to the fishery and the surrounding area are tremendous.”

Tourism Policy and Export Promotion Act of 1992

Your bill to redirect and strengthen national tourism policy by focusing on the potential of U.S. tourism as an export was passed by the Senate in 1990 and enacted in 1992. The legislation reauthorized federal tourism programs, set up a grant program, and established the Rural Tourism Foundation to promote rural travel and tourism in areas like West Virginia.

Travel and Tourism Field Hearing, Oglebay Park, 1992

You convened a field hearing at Oglebay Park focused on ways to better attract international tourists to West Virginia, an event that also helped to promote West Virginia’s tremendous tourist attractions, abundance of natural resources, and rich heritage.

Conservation and Reinvestment Act of 2000

You, along with a bipartisan coalition of Senators, pushed for the passage of the Conservation and Reinvestment Act (CARA) of 2000. CARA would have provided West Virginia with more than \$300 million over 15 years to fund historic preservation, land and water conservation, wildlife conservation, and payment in lieu of taxes. After passing in the House overwhelmingly, it was bogged down in the Senate. You signed a letter to Senate leadership

encouraging their support of the landmark legislation. Part of the final 2000 budget did include new funding for such programs.

Harpers Ferry National Historic Park Revision Act, 2004

You joined Senator Byrd in introducing the Harpers Ferry National Historical Park Boundary Revision Act in 2003. The bill expanded the boundary of the Harpers Ferry National Historical Park by about 1,240 acres; authorized the National Park Service (NPS) to acquire the added acreage by purchase, donation, or exchange, except that lands that are already owned by the federal government would be acquired by transfer; and authorized the appropriation of whatever amounts necessary for those purposes. The bill was signed into law by the President on September 24, 2004.

Wild Monongahela Act, 2009

Introduced in 2008, the bill, officially titled “Wild Monongahela: A National Legacy for West Virginia's Special Places Act” was drafted by Congressman Rahall, and you and Senator Byrd worked together to introduce the bill in the Senate. This bill established three new Wilderness areas (areas of federal land set aside by Congress where activities are restricted to scientific study and non-mechanized recreation) on the Monongahela: Big Draft, Spice Run and Roaring Plains West. It also expanded three existing wilderness areas: Cranberry, Dolly Sods and Otter Creek. The Wild Monongahela Act protects roughly 37,000 acres of wild lands on the national forest. The bill was ultimately included in the Omnibus Public Lands Management Act of 2009 which was signed into law by the President on March 30, 2009. The legislation designated an additional 2 million acres in nine

states as wilderness, representing the largest expansion of wilderness lands in over 25 years.

All-American Roads and National Scenic Byways

You introduced legislation to study state-run scenic byways, creating the All-American Roads and National Scenic Byways program. This legislation was included in the Transportation Equity Act for the 21st Century (TEA-21) and eventually resulted in the West Virginia's Highland Scenic Byways and Coal Heritage Trail being designated as National Scenic Byways.

Travel Promotion Act of 2009

You also fought for passage of the Travel Promotion Act of 2009, the first ever program dedicated to travel promotion for international travelers, including the provisions for Brand USA. The Travel Promotion Act was designed as a response to evidence that the U.S. was losing international travelers to other countries that had been advertising heavily for years. The U.S. welcomed 2.4 million fewer overseas visitors in 2009 than in 2000, and the failure to simply keep pace with the growth in international travelers since 2000 had cost the U.S. economy an estimated \$509 billion in total spending and \$32 billion in direct tax receipts. The Travel Promotion Act was designed to counteract this trend through international advertising that promotes the United States as a premier destination and explains changes in travel security policies to foreign visitors.

Commerce Hearing, "Tourism in Troubled Times," 2009

In May 2009, you chaired a hearing to learn about the challenges that the tourism industry was facing from the economic downturn

and to put down a marker for the Congress to work on a comprehensive approach to put the industry back on track.

Commerce Hearing, “Tourism in America: Moving Our Economy Forward,” 2011

You convened a hearing highlighting the travel industry’s impact on the U.S. economy, and used this opportunity to expound upon West Virginia’s tourism and travel industry and its impact to the state’s economy.

West Virginia Governor’s Conference on Tourism, Oct. 2012

In October 2012, you participated in the annual Governor’s Conference on Tourism held in Shepherdstown at the Clarion Hotel and Conference Center. With the state’s 150th birthday coming up, the focus of the conference was on the state’s heritage and the important role West Virginia played in shaping our nation, as well as the impact of tourism nationally. An article following the event quoted you as follows:

“Every person working at their counter in their shop, selling products, taking people on tours. It just happens every day; there’s never a magic bullet, there’s never a magic bullet, it’s all hard work,”

“They don’t change your tire if you blow it out in New York City, in West Virginia they will. People take you in, they feed you. I’ve had that many times when I was campaigning and I’d be early in the morning, and I hadn’t had any breakfast. I’d stop in somebody’s front-door and they’d say, ‘Have you had breakfast? Nope. Come on in, let me feed you,’ ”

Following the Governor's Conference on Tourism, you also invited representatives from Brand USA to meet with tourism officials in the Eastern Panhandle to discuss marketing to international travelers.

West Virginia Infrastructure

A very important underlying component of your tourism efforts has been your career-long advocacy for transportation programs such as the FAA Essential Air Service, Amtrak, and Appalachian Development Highway System, all of which help to provide travelers with better access to the state's wealth of tourism destinations and scenic wonders.

West Virginia Tourism Projects and Initiatives

As the below examples will reveal, your work as a U.S. Senator to grow the tourism industry in West Virginia encompassed much more than your legislative pursuits. From a children's museum about George Washington to the promotion of the future of American theater, you have personally invested your time and energy as a United States Senator to help the tourism industry of West Virginia prosper. You have understood that tourism means jobs for West Virginians, but more importantly, you have understood that the same conditions that will attract tourists will also improve the quality of life for residents in a community. As you shared in a speech to the Charleston Rotary Club on January 12, 1990:

“When I was elected to the Senate in 1984, my objectives were very straightforward... to seize every opportunity available to help our state overcome its economic troubles, achieve more growth, attract more jobs and improve the quality of life for our people now and into the future. This is not simply rhetoric. I view it as my obligation and imperative.”

Whitewater Rafting

You forged a compromise in 1988 between the Gauley River outfitters and the Army Corps of Engineers on releases to protest water quality, while ensuring the \$19 million rafting season.

“Jay was among the very first to understand just how important a role tourism can play in the future of West Virginia. Whether it’s been whitewater rafting, park development, or more recently, scenic train rides, those of us in the tourism industry have always been able to count on Jay’s full and active support.”

Jon Dragan, Founder, Wildwater Expeditions Unlimited (the first rafting operation on the New River), March 1, 1990

2011 – Year of “Making it in America”

You focused much of your West Virginia travel in 2011 on a series of “Making it in America” roundtables. Throughout the state, you brought together artisans, manufacturers and retailers to talk about the impact of tourism, the challenges of cheap imports, the effect of Internet marketing and ways to encourage holiday shoppers to buy local products. Again and again, you heard about the direct link between tourism and the small businesses of our state. You met with high-tech businesses in Bridgeport;

robotics students at Bluefield State; Homer Laughlin China Company in the Northern Panhandle; skilled glassmakers in the Upper Ohio Valley; and dedicated local farmers in the Eastern Panhandle. You spoke with artists, micro-manufacturers, retailers and other experts from Mount Lookout to Wheeling who work to improve West Virginia's economy by emphasizing 'Buying Local.' You hosted a discussion during a busy holiday shopping day in downtown Shepherdstown, where out-of-state shoppers flock to find unique West Virginia products. You know that dollars that are spent in the local economy stay in the local economy and create jobs for our neighbors. According to ABC "World News," if Americans spent \$64 on products made in America it would generate 200,000 new jobs.

Small town fairs, festivals and events

West Virginia is known for its many fairs and festivals across the different regions, and you have supported those local efforts in many ways – whether it was riding in one of the many small-town parades as Governor, partaking of the delicacies at the Ramp Festival, or submitting a Congressional Record statement on behalf of a festival's anniversary, your recognition of those events has been instrumental in sharing the messages of WV's tourism industry to travelers near and far. The following is an excerpt from a congratulatory letter read at the closing ceremonies for Shepherdstown's 250th Anniversary celebration which was a year-long commemoration designed to celebrate locally but also to brand the community for its historic heritage tourism. Similarly, your presentation ten years ago to Madeline Blue in Romney is still documented on the Historic Hampshire website (historichampshire.org) as copied below:

“Few towns in our country have achieved the longevity of Shepherdstown and have witnessed such significant events that shaped our country. From the Beeline March to Cambridge to the wounded walking from the bloodiest battle of the Civil War, footsteps throughout history have traveled the same roads you now traverse and forged the path forward for so many of our freedoms we enjoy today. Inventions were discovered; educational institutions built; and cultural opportunities born.

As proud citizens, you took this year to remember that heritage and to celebrate the incredible accomplishments that have been achieved in this remarkable town. From the stitches of a signature legacy quilt to the planting of 250 daffodils to the marching of descendents in a town parade, you have celebrated the contributions of your past and present citizens. And perhaps most importantly of all, you have inspired the children of Shepherdstown to imagine what the next 250 years may bring.

Just as there may have been children on the banks of the Potomac in December of 1787 watching that first steam engine, the boys and girls witnessing the steam engine demonstration today can dream about the accomplishments they will discover as proud West Virginians who have called Shepherdstown home. As future citizens open their time capsule, the spark of those early childhood achievements yet to be discovered in 2012 will be revealed as taking root in Shepherdstown.

I commend you for remembering your history, celebrating your achievements and imagining your future. I am proud to be your West Virginia Senator and I wish you a very happy Anniversary.”

(November 2012)



On Saturday, June 5, 2004 Senator Jay Rockefeller came to Romney for the 25th anniversary commemoration of the South Branch Valley Railroad. At the ceremony he presented Madeline Blue, the Hampshire250 co-chair, with a copy of the statement he had recently inserted in the Congressional Record acknowledging the 250th anniversary of Hampshire County.

It is also worth noting that, due to your work as Governor, West Virginia became the first state to own and operate a commercial freight railroad when the WV State Rail Authority took ownership of the South Branch Valley Railroad in October 1978. Not only has the rail line provided freight service over the years, but the successful Potomac Eagle excursion train has carried thousands of tourists through “The Trough” in the summer and fall seasons each year as passengers hope to catch a glimpse of the American bald eagle.

Projects, Small and Large

You have supported numerous other tourism related projects – small and large-scale -- through letters of support for grant applications, appropriations requests, newspaper columns, hosting fund-raisers and facilitating meetings.

You introduced Ed Herendeen, an energetic professor with a pony-tail, to company executives and wrote letters of support to various foundations, helping him secure some of his first grants for a new theater company dedicated to producing contemporary work. Later, you celebrated that theater company's achievements with Congressional Record statements and have welcomed their visiting artists to West Virginia every summer. Almost twenty-five years later, the Contemporary American Theater Festival took a West Virginia production to off-Broadway in the fall of 2014.

When the Martinsburg Roundhouse Authority requested appropriations from Senator Byrd to save that historic structure, you not only supported their efforts, but went beyond that request to facilitate discussions with CSX when there were issues regarding the rail line.



You continued your support for the arts in West Virginia by hosting a fundraiser in D.C. for the Morgan Arts Council as the members pursued their goal of renovating the Ice House for their cultural events. In another effort to protect and foster the arts in West Virginia, you facilitated the transfer of the Old Federal Building in Martinsburg to the Boarman Arts Center so that its future may one day be a home to community artists and a destination for tourists. You also wrote letters of support for the Washington Heritage Trail and numerous columns celebrating the wild and wonderful that is West Virginia.

Sharing the Story of West Virginia

Near annually on West Virginia Day, you have paid special tribute to West Virginia and highlighted its significance to the country and to you personally. We close this chapter by including your exceptionally moving June 2013 tribute to West Virginia that coincided with the state's 150th birthday. Your words, which went

viral on social media, beautifully captured what makes West Virginia such a special place and will no doubt inspire others to get to know the state that so profoundly shaped your life.

A Tribute to West Virginia

Senator Jay Rockefeller

June 2013

Fifty years ago, I was on the outside looking in. A young man in awe of a state knit so tightly and beautifully – a place whose people are so closely connected but welcomed me and shared their treasured home.

A place where the mountains touch the heavens and dirt roads lead to home. Supper time is family time and neighbors always give with both hands.

Where summers mean 4-H camp and sugar maples glow in the fall. Winters test resilience and the sound of spring peepers bring us joy.

It's a place where glass is blown and handmade quilts get blue ribbons. Buckets of blackberries end up in cobblers. Ramps have their own festival and buckwheat does too.

Where doors are held open and smiles are shared generously. Where we call friends "aunts" and "uncles" because they're just like our own.

A state whose pride wells with the crack of the Mountaineer's musket. Who cherishes a university that grew strong out of impossible tragedy.

It's where John Denver sang of misty moonshine and Rocket Boys reached the sky. Where we know the sound of train whistles and the smell of newly-baled hay in the sun.

Where we raft our rapids and fish our streams. Hike our trails and ski snow-covered slopes. Climb our peaks and camp in valleys.

It's a state where weddings are planned around football schedules and prayers said every night. Kids catch bugs in mason jars and know the state song by heart.

Where friendly small towns make us proud and front porches have swings. Where veterans are hometown heroes and patriotism means more than waving a flag.

It's a place where hard work is marked by empty coffee thermoses and coarsely stained hands. Where coal lives beneath our land and underpins a way of life. Steel has been forged and helped build a whole nation.

Where struggle doesn't mean defeat; it inspires us to fight harder. Where tough times bind us together and we shout our successes from the mountaintops.

It's a peaceful place where the mountains hold us close and the view from our window reminds us we're part of a larger story – of something special.

We ache for it when we're away. And we smile when the words "Wild and Wonderful" greet us at the state line.

On West Virginia's birthday, I am thankful for my state. I found myself at her potlucks and in her hollows. I found my life's passion, a call to public service, in her people – work I am deeply grateful to have done for 50 of her 150 years.

I found my forever home.

ATTRACTING, GROWING, AND PROTECTING FEDERAL JOBS IN WEST VIRGINIA



“The U.S. Customs Advanced Training Center staff, and the men and women who’ve come to train here, have committed their lives to keeping us all safe. I can think of no higher calling than that” .

Jay Rockefeller

Dedication event at the U.S. Customs Advanced Training Center, May 2011

Introduction

This chapter details your work to grow and protect federal jobs in West Virginia. Your efforts have been deeply rooted in the knowledge that the state can provide the U.S. Government with low-cost operations, and more importantly, an exceptionally dedicated and high-quality workforce -- one that values hard work and loyalty, and possesses a genuine desire to serve our country. While your work in this area may not have the seamless and personal level of history as your quest to bring new private sector investment to the state, your pursuits in this area have nonetheless contributed to exponential federal job growth in West Virginia.

Today, the West Virginia is home to nearly 20,000 federal employees (not including Postal Workers). This is nearly double the level of 10,500 federal employees who worked in the state when you began your Senate career in 1984. Over the last five years alone, you have:

- Created more than 1,000 federal jobs through the completion of the McDowell and Hazelton federal prisons and the expansion of the Federal Bureau of Investigation Criminal Justice Information Services (CJIS) Division in Clarksburg;
- Saved over 400 jobs at the National Energy Technology Laboratory in Morgantown, the NASA Independent Verification and Validation Center in Fairmont, the Green Bank Observatory in Pocahontas County, and the Biometrics Identity Management Agency in Clarksburg; and
- Laid the groundwork for at least 1,000 new jobs in the near future at the Bureau of Public Debt in Parkersburg, the Coast Guard Operations Systems Center in Kearneysville, the U.S.

Customs and Border Protection's Advanced Training Center in Harpers Ferry, and the new joint FBI-DOD Biometrics Technology Center that is slated for completion in summer 2015.

Your federal jobs agenda also encompasses your work to protect existing jobs from being downsized or outright eliminated as a result of proposed budget recommendations from the Administration, as with the case of the Sugar Grove Navy Information Operations Center in Pendleton County, the Green Bank Telescope in Pocahontas County, and the Agriculture Research Service Lab in Beaver.

This chapter provides you with details of your major federal job growth and protection endeavors. Some of these endeavors are more exhaustive, such as your fifteen-year quest to land a federal prison in McDowell County and your current efforts to save the Green Bank Telescope from closure. Some of the other endeavors detailed in this chapter are more straightforward and are a result of your diligence in recognizing an opportunity or a major shortfall in the Administration's annual budget requests, but are no less important in your legacy of job creation.

“Together, we literally moved a mountain to develop an ideal site for the prison at the Indian Ridge Industrial Park.

We brought Bureau of Prisons officials to West Virginia over and over again, we wrote dozens of letters – and I personally asked then-President Clinton for assistance in getting the FBP to choose the site in McDowell County.

We negotiated and fought for the site to be here – for the jobs to be here.

I supported bringing this federal prison to the area because I understand the economic impact – for the area and its families. We need our priorities for West Virginia to include good-paying jobs for the future.”

Excerpt of your videotaped remarks for the McDowell County Prison Employee Appreciation Day
November 19, 2010

McDowell County Prison

As a result of your fifteen-year efforts, today, McDowell County is the home of a 313-employee medium-security Federal Correctional Institution and minimum-security satellite camp at the Indian Ridge Industrial Park. The prison annually infuses approximately \$35 million into the local economy.

Background: In its heyday in the early 1900's, McDowell County was known for its abundance of coal and other natural resources, earning the nickname of “the Nation’s Coal Bin.” During this period the county enjoyed a 155 percent population growth. This growth came to a screeching halt in the 1950's with the closing of many mines due to new automation and high production costs. Thousands of people made an exodus from McDowell County in search of stable work. Those who remained were left with a legacy of polluted streams, undrinkable water, ravaged mountains, and very few employment opportunities.

Determined to help reverse the years of economic downturn in the county, you began working to bring a prison to McDowell County in 1995. This idea arose during a meeting you and Congressman Rahall attended with the McDowell and Wyoming County Economic Development Authorities. Originally, you reviewed several sites in McDowell County with CCA, one of the largest developers and operators of private prisons in the country. However, the CCA opportunity did not come to fruition.

In 1997, you learned that the Bureau of Prisons (BOP) had toured parts of West Virginia, including McDowell County, in order to evaluate potential sites for future federal prisons. You quickly wrote to then-BOP Director Kathleen Hawk Sawyer to relay your strong dissatisfaction both you had not been given prior notification of the visit and that the selection team had concluded that McDowell County was not a suitable site for a federal prison.

Between 1997 and 1998, you contacted President Clinton and reached out to Senator Byrd to seek their support for a federal prison in McDowell County. You convened many meetings with BOP, including with Director Sawyer, asking her to survey McDowell County as a possible location for a federal prison. On four separate occasions during this timeframe, BOP visited the county, but reported that it was unable to find a suitable site.

Refusing to give up, you continued to encourage McDowell County to develop an industrial site that could support a large-scale facility. Local officials heeded your advice and began developing a site known as the Indian Ridge Industrial Park, an area located near the border of McDowell and Wyoming counties

and very close to the proposed interchange of Route 52 and the Coalfields Expressway.

From that time until 2001, with your strong encouragement, BOP officials visited the Indian Ridge Industrial Park and met informally with local officials on eight separate occasions. In an effort to do everything possible to help local officials develop the site into a suitable location for a federal prison, you and Senator Byrd secured special funding both to extend water and sewer utilities to the park and for other site development purposes. With this infrastructure assistance and a unique earth-removal partnership with a coal company, McDowell County officials literally leveled a mountain to develop an ideal site for the prison at the industrial park.

On August 22, 2005, your unrelenting pursuits paid off when the BOP issued a final Record of Decision for a medium-security prison to be built at the Indian Ridge Industrial Park.

To secure funds for the actual prison construction, you and Senator Byrd successfully safeguarded budget requests totaling \$136.7 million from FY 2001 to FY 2004. However, the President's FY 2006 budget request included a proposal to rescind funds for the McDowell County prison, as well as a prison in New Hampshire, because it was determined that additional funding would be required to award construction contracts for these projects that year. The McDowell County prison alone was estimated to require \$89 million, a cost the Administration deemed too high. You and Senator Byrd immediately wrote to the U.S. Attorney to express extreme concern about the rescission proposal, and were later successful in including language in the FY 2006 CJS appropriations bill negating the rescission.

In February 2007, a \$224 million construction contract for the new prison was awarded to Clark Design/Build LLC of Bethesda, Maryland. Construction involving 200 jobs took over three years to complete. You visited the construction site in April 2009 to bring attention to the hiring process that was soon to begin.

The McDowell County prison was dedicated on November 19, 2010, although the event was called an “Employee Appreciation Day.” You were planning to attend the celebration, but ultimately were forced to cancel. You sent videotaped remarks and Phil Lewis of your Beckley District Office attended on your behalf.

New Federal Prison, Hazelton

You were recently successful in seeing to completion a new 350-employee medium-security federal prison in Hazelton in May 2014. You were unable to attend the Employee Appreciation Day on May 16, but sent staff and well-received video-taped remarks to the new employees. The 350 positions (300 of which were new hires) that support this new prison not only include correctional officers, but a full range of medical personnel, administrative and facility services staff, and specialists in life skills and job/educational training. In addition to the quality jobs and economic impact of approximately \$35 million that the new prison brings to this region, the facility is a critically important federal investment that is helping to relieve chronic inmate overcrowding that is prevalent through the entire federal prison system.

Background: This project did not require the level of personal engagement that you had to exert in the instance of the McDowell County prison. This was primarily because BOP already recognized the merits of Hazelton, having completed a high- and medium-security prison at the Hazelton site several years ago,

and because federal funding for construction of the project had already been appropriated when you became involved in 2010.

Still, getting this project over the finish line required a several-year effort on your part during one of the most constrained budget periods of all times. From 2010 to 2012, you were able to monitor the construction of the prison. In late 2012, the 1,280-bed medium-security facility and work camp was completed, but the BOP lacked the necessary FY 2013 “activation” funds to hire employees and initiate the prison’s operations.

Recognizing that a number of recently completed federal prisons have sat empty due to lack of activation funding, you made a strong case to CJS Appropriations Chairman Barbara Mikulski and former-Ranking Member Kay Bailey Hutchinson in your FY 2013 appropriations letters for the necessary activation funding. As a result of your repeated advocacy, the FY 2013 Continuing Resolution (CR) included funding specifically for activating the Hazelton prison. With this funding secured, BOP began the hiring process in May 2013. To help spread the word in North Central West Virginia, you issued a press release about the May 3, 2013, job fair at Hazelton. The BOP was prepared to hold a number of job fairs that year, but due to the huge volume of quality resumes received, no additional job fairs were necessary.

In FY 2014, you learned that BOP required additional resources to complete activation of the Hazelton prison. This occurred during the time of the sequester, which meant that your argument for additional funding would have to be exceptionally strong. You made another appeal to Chairman Mikulski and Ranking Member Shelby in the FY 2014 Senate CJS Appropriations bill. Ultimately, you were successful in securing sufficient funding in the FY 2014

Omnibus Appropriations bill that allowed the Hazelton prison to open earlier this year.

The new 350-employee facility alone has an economic impact of adding \$35 million to the local economy, but when combined with the other two prisons on the Hazelton site, total BOP employment in Preston County is approximately 800 with an annual economic impact of \$120 million.

U.S. Customs and Border Protection Advanced Training Center, Harpers Ferry

Over the past four years, you have been working to see through to completion the U.S. Customs and Border Protection's Advanced Training Center campus, which is now slated for completion in 2016. Your motive in completing this campus has never been about new buildings or ribbon-cutting events. Rather, your goal has been to finish the campus so new jobs and opportunities for the Eastern Panhandle can be realized. When the ATC is completed in 2016, the level of employees is expected to grow from 180 personnel to 300 personnel. This growth is because the U.S. Customs and Border Protection is now consolidating many of its training courses at the ATC due to the state-of-the-art infrastructure that you helped to fund. The CBP is also developing Centers of Excellence for emergency preparedness; target and intelligence; distance learning, and international trade, all of which will be based at the ATC.

Background: Since 2005, the Advanced Training Center has been providing advanced firearms, tactical, and leadership training to U.S. Customs and Border Protection officers and agents across the country, as well as other federal and law

enforcement entities. The Customs personnel who receive training at this facility are stationed throughout the world at land and border crossings, airports, seaports, and other urban environments.

When you became involved in this project in 2010, all of the training facilities and venues were open for business. Still incomplete were the Global Border College (the premier executive training facility) and the majority of life-support facilities including the dining hall, security center, and the student dormitories.

In May 2011, you were the keynote speaker for the Global Border College dedication event. Again, your goal was not to cut a ribbon for personal recognition, but to extol the critical homeland security work performed by so many West Virginians and the potential of further job growth with the college's completion. The Global Border College is now serving as the single location for all Customs supervisory and executive development training.

With your constant oversight over the past several years, the dining hall and security center were completed in 2013/2014. After several years of funding hurdles and subsequent bid protests, the student dormitories are finally under construction and anticipated for completion in 2016. You were instrumental in securing the last remaining funds that allowed a construction contract for the student dormitories and student center to go to bid when you asked former Department of Homeland Security Secretary Janet Napolitano in a February 14, 2011 letter to complete the project within existing resources, to which she responded favorably.

Further, every year since FY 2011, you have sent letters to the Senate Appropriations Committee to support the ATC's growing budget to ensure that new jobs are realized. While this may seem like an unnecessary step, in the appropriations process every dollar that is not specifically spoken for by a member of Congress -- even funding that is included in the President's budget request -- is funding that is up for grabs for offsets or rescission.

Additionally, U.S. Customs and Border Protection leadership have expressed strong interest in developing additional training facilities on the ATC campus in the future, including a Physical Training Facility, an Aquatic Training Facility, and a Ballistics Testing Facility. To aid the agency's ability to develop additional training facilities on the campus in a very austere budget climate, you supported bill language in the FY 2012 Homeland Security bill that authorizes the Customs ATC to charge fees for services it provides to other entities. These fees are providing the ATC with a small revenue stream to expand its training capabilities or construct additional facilities in the future.

Coast Guard Operations System Center Expansion, Kearneysville

On September 29, 2014, your staff participated on your behalf in the dedication ceremony for the new 40,000 square-foot expansion facility for the Coast Guard Operations System Center (OSC) at the Burr Industrial Park in Jefferson County. Your work to expand the Coast Guard OSC was fueled by your dual desire as Chairman of the Senate Commerce Committee to make sure the U.S. Coast Guard has the resources it needs to carry out its critical missions and to lay the groundwork for new high technology job growth in the West Virginia.

Background: The OSC supports the development and operations of computer systems that are

“We ask a lot of the fine men and women of the U. S. Coast Guard who work around the clock to protect this country’s national, economic, and environmental interests, especially in considering their ability to conduct these activities on a shoestring budget.

I join with so many here today taking great satisfaction in knowing that this new structure will relieve years of overcrowding and provide the OSC with the space for additional growth in the future.

May it serve as a constant, visible reminder of our appreciation for your unrelenting dedication to the protection of the United States and the safety of those in need throughout the world.”

Excerpt of your letter
Dedication of the expansion facility
for the Coast Guard
Operations Systems Center
September 29, 2014

integral to the U.S. Coast Guard's eleven missions including homeland security and international search and rescue efforts.

The need for this facility underscored the importance of the OSC's mission and the quality of OSC's West Virginia workforce. When the OSC began operations in 1991, 45 staff supported five Coast Guard critical missions. Today, 615 federal and contract personnel (540 on-site and 76 off-site) supported by the OSC oversee over sixty major information technology systems. From the onset, the OSC quickly outgrew its 40,000 square-foot main campus at the Liberty Business Park in Kearneysville. As growth continued in subsequent years, the OCS added a 76,000 square-foot annex and a 6,000 square-foot modular facility to the main campus. Later, the agency had to lease two additional annexes (30,000 and 18,000 square feet) that are located several miles away. The annexes and modular facilities were ill-equipped for the agency's purposes and the distances between the main campus and annexes 2 and 3 are very disruptive to efficient operations.

You became actively involved in this initiative in 2010 when the General Services Administration (GSA) submitted a prospectus to the Senate Environment and Public Works Committee and the House Committee on Transportation and Infrastructure seeking approval for the leasing or construction of more OSC space.

In July 2010, you sent letters to the Senate and House Committees of jurisdiction urging the expedited approval of the prospectus. You received notification that the prospectus was approved in December 2010. Since that time, your office has convened numerous meetings with Coast Guard and GSA

personnel, as well as visits to the OSC, and sought monthly reports for regular updates. Despite this oversight, the project was subject to a series of bureaucratic delays associated with the need to redesign the space requirements several times and readjust the market surveys and solicitation. And, most disappointingly during this time, the Coast Guard also scaled back the size of the facility (from 160,000 sq. ft. to 40,000) as well as the number of personnel who would be relocated to the new facility.

In June 2013, you announced that the GSA awarded a \$16 million contract to the Jefferson County Economic Development Authority to build the facility at the Burr Business Park and lease the specialized building to the Coast Guard.

The 40,000 square-foot facility, consisting primarily of office and conference space, was completed in summer 2014. In September, 289 software development personnel moved into the new facility, freeing up space for potential new IT work and personnel at the main campus in the future. With this move, all OSC employees are working in a much more ideal setting, there is now room for additional high tech job growth (in the range of 150 personnel) at the main OSC campus, and the government is now able to realize cost savings through energy savings and a reduction of overall square footage from more efficient use of space.

FBI Criminal Justice Information Services Division (CJIS), Clarksburg: As a result of your advocacy in the FY 2014 appropriations cycle, the FBI CJIS is now in the process of hiring 300 new personnel to support a major expansion of its National Instant Criminal Background Check System (NICS). As of

September 2014, 150 new NICS personnel have been hired. Most recently, the FBI CJIS advertised for 25 of these positions. The agency was immediately barraged with over 800 applicants.

Background

NICS is a database operated by CJIS and used by Federal Firearms Licensees to instantly determine whether a prospective buyer is eligible to buy firearms or explosives. The database was mandated by the Brady Handgun Violence Prevention Act of 1993 and launched at CJIS in 1998.

Your review of the President's FY 2014 budget request revealed that the FBI was seeking \$140 million to dramatically increase the capacity of NICS to meet the rising volume of gun sale checks (in 2013, the FBI CJIS experienced a 81 percent increase for NICS background checks since December 2012, and this rate has showed no sign of abating). You strongly advocated for the budget request through a number of communications with Senate Appropriations Committee Chairman Barbara Mikulski. Ultimately, the NICS expansion increase was funded at a level of \$60 million. Despite the reduction, securing new money in the current austere budget environment was a huge win for new jobs and public safety. The \$60 million you helped to secure in FY 2014 is allowing the NICS system to be upgraded so it will be able to handle twice the current level of transactions and, as mentioned, will support up to 300 new NICS examiners and call center personnel at FBI CJIS.

Joint FBI-DOD Biometrics Technology Center at the FBI CJIS, Clarksburg

As part of your quest to continue to elevate West Virginia's standing as a worldwide leader in biometrics, you have been very engaged with the construction of the Joint FBI-DOD Biometrics Technology Center on the FBI CJIS campus over the past four years. When completed in late summer 2015, the facility will enable FBI and DOD partners to make new collaborative revolutionary advances in biometrics technology, alleviate severe overcrowding at the FBI CJIS facility, and provide ample space to both the FBI and DOD for new job growth.

Background: In March 2007, former FBI Director Robert Mueller expressed strong interest in constructing a new large-scale facility on FBI CJIS Division campus that would allow the FBI to make revolutionary advances in identification technologies, as well as to relieve overcrowding in the existing CJIS facility and consolidate off-campus CJIS functions.

"I understand very deeply just how important it is for America to continue developing biometric technology. And it's why I'm enormously proud that West Virginia is a leader in the field, and so elated about strides that will be possible with the completion of the Biometrics Technology Center.

I see it as my job to help make sure that our state continues leading the world in biometric research, development and implementation. Together, partnerships among agencies in federal and state government, along with universities and the private sector – and most importantly with stars like you who keep your heads down and work so hard every day – will determine the potential of the biometrics industry in West Virginia."

Your remarks at the beam laying ceremony for the
Jt. FBI-DOD Technology
November 18, 2011

Several months later, with some congressional nudging, FBI and DOD officials agreed that the project should become a joint effort because the agencies had been partnering on biometrics for quite some time. DOD officials also saw great merit in becoming a partner because their Biometric Fusion Center (now known as the Biometrics Identity Management Agency) operations was, and still is, located in an unsecured leased facility in downtown Clarksburg.

It took four years to secure the necessary funding for the Biometrics Technology Center, but through a combination of FBI and DOD construction funding, a total of \$328 million was ultimately made available for the project. On September 16, 2010, you announced that the construction contract for the Biometrics Technology Center had been awarded to the Turner Construction Company.

On November 18, 2011, you were the keynote speaker at a beam-laying ceremony for this new center.



Senator Rockefeller signing the first beam of the Biometrics Technology Center, November 18, 2011

Most recently, to make sure the FBI has the necessary resources to “turn on the lights” and equip the facility next year, you secured \$8 million specifically for these purposes in the FY 2014 Omnibus Appropriations bill. Without this funding, the building could likely sit empty upon its completion.

The most important aspect of this building is that it will serve as a joint FBI-DOD Center of Excellence for advancing new biometrics technologies for law enforcement and national security. The new facility also has several important secondary purposes in that it will alleviate severe overcrowding at the main FBI CJIS; consolidate all of the FBI CJIS on the campus (for over fifteen years 350 FBI CJIS have been working in less than desirable leased satellite space at the Fairmont Mall); and allow the Biometrics Identity Management Agency to finally reside in a permanent and secure location.

Bureau of Public Debt (BPD), Parkersburg: Due to your advocacy, the 1,850-employee BPD in Parkersburg is expected to grow by 450 new personnel -- but not until 2019 -- as a result of the consolidation of the Bureau of Public Debt and the Financial Management Service into a new agency called Fiscal Service.

Background

The Department of the Treasury’s Bureau of Public Debt has had a long-standing presence in the Parkersburg community dating back to the mid 1950s. In 1975, the Bureau closed its Chicago office and consolidated all Bureau savings bond activities in Parkersburg. The growth at Parkersburg has increased dramatically since that time. Today, the Parkersburg operation currently employs 1,850 individuals and supports the agency’s

operations center for customer service, accounting, and Trust Funds activities.

Your review of the President's FY 2013 budget request discovered a proposal that would consolidate the Department of the Treasury's Bureau of Public Debt (including the Parkersburg operation) and Financial Management Service into a new Fiscal Service. The Administration purported that this change would "streamline and modernize operations" and provide cost-savings to taxpayers to the effect of at least \$36 million over the next five years and more savings in the long-term.

When your office convened a meeting with Bureau officials to determine how precisely this consolidation would impact its Parkersburg operations, your staff was assured that the effort would I not

"While I appreciate the Department's efforts to "streamline and modernize operations" and provide cost-savings to taxpayers through the consolidation proposal, I stand strenuously opposed to any changes that might impact West Virginia jobs. The Bureau of Public Debt has been an integral part of the Parkersburg, West Virginia community for over three decades and I fully expect the Bureau to continue to have a presence in West Virginia for years to come.

As the Department considers opportunities to create greater efficiencies, I hope you will explore the potential for growth in Parkersburg as a means to more effectively service the Bureau of Public Debt and the Fiscal Service. I ask the Department to consider the expanded role that the Bureau could have within the greater Parkersburg community and take into account West Virginia's well-qualified workforce and substantially lower operating costs, as you assess the agency's ongoing needs."

Excerpt of your letter to former Treasury Secretary Timothy Geithner
July 10, 2013

impact Parkersburg and in fact, the consolidation may yield new jobs in the future.

Nonetheless, you wanted to have these assurances in writing to help ease any uncertainty in the Parkersburg community. On July 10, 2012, you wrote to then-Secretary of Treasury Timothy Geithner to seek written confirmation that the consolidation will not negatively impact West Virginia jobs. You also took the liberty of asking the department to explore the potential for future growth in Parkersburg as a means to more effectively service the Public Debt and Fiscal Service.

The Secretary took your recommendation to heart. In August 2012, before Congress signed off on the consolidation, the Director of Financial Management Service announced that 450 FMS jobs in Hyattsville, Maryland, would be relocated to Parkersburg beginning that fall. FMS reported the action would allow the agency to achieve cost savings of over \$100 million, primarily due to the lower lease and wage costs in Parkersburg. Your office was given a heads up about an hour before the Director made this announcement in Hyattsville. Your staff shared their off-the-record advice that the agency should not make such an announcement before congressional approval had occurred, knowing full well that the Hyattsville employees would immediately reach out to their Maryland delegation for help to stop the consolidation.

This is exactly what happened. The day this announcement was made, the Hyattsville employees contacted the Maryland delegation. Needless to say, this announcement invoked a very strong reaction from the Maryland delegation. With Senator Barbara Mikulski taking the lead, the delegation immediately

launched a very public appeal to the Secretary of Treasury. Subsequently, they were successful in convincing the agency to allow the Hyattsville employees up until 2019 to decide whether or not to relocate to Parkersburg.

You have not fought this delay because your purpose was not to pirate jobs from another state. Your primary goal in writing to Secretary Geithner was to safeguard the 1,850 Parkersburg employees, and you accomplished this objective. It remains to be seen whether the 450 additional jobs in Parkersburg will be forthcoming.

Green Bank Telescope, Pocahontas County

The Green Bank situation is an unfinished story but a positive outcome is now within reach because you have continued to push the National Science Foundation (NSF) for a solution that doesn't involve closure, and because of your efforts to get WVU involved.

Background: From the day that the Astronomy Portfolio Review Commission released its August 2012 recommendation that the NSF divest from the Green Bank Telescope, you have been working tirelessly to identify all options to keep the telescope operational.

Initially your efforts, including delegation letters and meeting personally with then- NSF Director Subra Suresh, were focused on fighting the APR's recommendation for NSF to close Green Bank by 2017.

Suffice to say, NSF was taken aback about how hard you pushed back and starting back peddling a bit in 2013. In March 2013,

then-NSF Director Suresh attempted to call you personally to let you know that the agency would be issuing a solicitation seeking entities interested in participating in the operation of Green Bank. NSF personnel purported that this solicitation would open the door for a local entity such as WVU to consider expanding its role at Green Bank.

While astronomy is a fairly new research focus for WVU, the university vigorously recruited Dr. Duncan Lorimer and his wife, Maura McLaughlin (also an astronomer) to WVU's Department of Physics in 2006. In that short time frame, they built from the ground up the university's research capabilities and undergraduate/graduate curricula in astronomy and astrophysics, primarily through use of the Green Bank telescope. You might recall that Dr. Lorimer, in collaboration with the Green Bank Observatory staff, worked to successfully secure an \$8 million broadband grant to facilitate connectivity between WVU and the Green Bank Telescope. Dr. Lorimer and his expanding team are also especially driven to help prepare students of all ages for careers in science. Through WVU Pulsar Search Collaboratory, high school students across the state are provided access to data from the Green Bank Telescope to search for new pulsars.

In spring 2013, you met with then-WVU President James Clements and his leadership team and spent the majority of the meeting discussing the university's interest in Green Bank. Several days later, you helped arrange a meeting between WVU, NSF, NRAO, and Associated Universities, Inc (AUI) about a partnering arrangement. While WVU personnel were certainly interested in expanding its role at Green Bank, they left the meeting with many lingering questions and concerns.

Shortly after this meeting, NSF advised your staff that it was committed to identifying a path forward where NSF would identify partner or partners willing to assume at least fifty percent of the current \$6 million annual operating costs for GBT rather than outright divesting it.

On July 1, 2013, you convened a meeting at the Green Bank Observatory with officials from NSF, NRAO, AUI, WVU, and Congressman Rahall (Senator Manchin was invited but had a previous engagement) about the negotiations around WVU assuming a minority management stake in GBT. At this meeting, you conveyed your desire to identify a positive outcome for GBT, embraced the notion of WVU assuming an increased management role at GBT, and encouraged parties to give these new relationships a chance to grow. An excerpt of your opening remarks are as follows:

“For those of you not from West Virginia, let me welcome you to Green Bank. You need to know that Green Bank is much more than a research facility to the people of West Virginia. It is our state treasure. Fifty years ago, the state’s centennial symbol was an outline of the state surrounding the Green Bank telescope. Half a decade later, Green Bank remains our state’s pride and joy, and a symbol of our pioneering and innovative spirit. We are especially proud of the thousands of schoolchildren – the nation’s future scientists – who are being exposed to the wonders of science that occur here. More than 1,500 students and teachers participate in programs offered right here each year. If we are to have any hope of meeting the President’s goals for STEM education and training, we need every single state involved in that effort and Green Bank is part of the infrastructure to make that happen.”

Jay Rockefeller, Green Bank Telescope Meeting, July 1, 2013

Your personal appeal was successful, resulting in WVU and AUI executing a short-term agreement the following month. Under this agreement, which you announced in the press, WVU would invest \$500,000 in both FY 2014 and 2015 toward the operations of GBT, enabling the university to increase its research and education activities with AUI. This agreement will be sufficient to sustain Green Bank's operations until September 30, 2015. For FY 2016 and beyond, the path is less clear.

Upon being named as permanent president in 2014, WVU President Gee re-confirmed Green Bank as a high-priority university initiative. As such, you have been very engaged in helping the university explore other partners and funding sources to help increase its role in the telescope beyond September 2015. On funding, WVU is close to winning a substantial National Science Foundation grant and was successful (with behind the scenes efforts of your office) in convincing the State of West Virginia to incorporate astrophysics research at Green Bank into the state's next Experimental Program to Stimulate Cooperative Research (EPSCoR) proposal. Earlier this year, you wrote to Dr. Fleming Crim of NSF and met with the new NSF Director Dr. France Anne Cordova, asking each of them to work closely with WVU to develop a long-term vision for Green Bank. This summer, at your invitation, the White House Office of Science and Technology Policy (WHOSTP) visited Green Bank.

The WHOSTP visit was extremely worthwhile. It has resulted in recent discussions about a potential mixed-use scenario between the Department of Defense, WVU, and another group known as NanoGav (a consortium of astronomers who use the Green Bank

and Arecibo telescopes). In a recent meeting in your office, NSF officials were excited about the prospects, but cautioned it may take more than six to nine months for this potential scenario to crystallize. This is because of the sensitive logistics of potentially using the telescope for both classified and non-classified purposes, an issue that will need to be approved at high levels within both the DOD and NSF.

**Sugar Grove Naval Information Operations Command,
Pendleton County**

The Sugar Grove situation is another effort that is still ongoing, but is on a sound path for a positive outcome in the near future as a result of your rigorous oversight. At this time, the GSA is advertising the property for public benefit and homeless purposes. The great news is that there are now two very promising candidates that you have equally assisted that have submitted letters of interest in acquiring the lower base through GSA. A non-profit organization known as KVC envisions repurposing the Sugar Grove lower base into a one-of-a-kind Specialized Career College with a focus on young adults emerging from the foster care system. More recently, the West Virginia Division of Corrections has visited Sugar Grove (with your staff) and expressed interest in acquiring the lower base to convert it into a transitional detention facility. GSA will be the ultimate decision maker on public benefit conveyance process and plans to make a decision in January 2015. If no entity prevails in acquiring Sugar Grove through this opportunity, GSA will then offer state and local governments the opportunity to acquire the property at fair market value before the property is made available to private entities and individuals via a public auction/s.

Background: Sugar Grove's presence in Pendleton County dates back nearly sixty years. Its mission has evolved over that time; today it is a Navy-owned facility that primarily supports a classified National Security Agency (NSA) communications mission. In summer 2012, after consulting with you earlier that spring, NSA General Keith Alexander announced that a NSA realignment of personnel and resources would result in the downsizing of the 330-staff Sugar Grove operation to a core level of 40 NSA civilian staff by October 2015. Over the past year and into next, Navy officials who transition out will not be replaced, ultimately leaving a 40-person NSA workforce at the upper base where the communications research work will be carried out remotely from Fort Meade. (As of 10/15/14, the staff level is down to 174). Also by October 2015, absent a new tenant, the lower base will close an action which will cost the Navy nearly \$18 million. The lower base is home to the support facilities, including bachelor and family housing, administrative buildings, a commissary, a medical clinic, a gym and a new emergency operations center.

Knowing the profound impact that the closure of the lower base would have on the Sugar Grove employees and 8,000-person Pendleton County, you immediately urged General Alexander to review whether there might be any other NSA-CYBERCOM missions that could be performed at Sugar Grove. You also asked the General to proactively reach out to all of the Department of Defense (DOD) services with a similar request – to look for another tenant at Sugar Grove. Although your staff believes that General Alexander put forth a genuine effort, ultimately, he was unable to identify alternative uses of Sugar

Grove under his auspices. As he pledged to you, General Alexander did send letters to the Service Vice Chiefs about the potential future availability of the lower base.

You also sent follow-up letters to each of the Service Chiefs to highlight Sugar Grove's capabilities, and also called Deputy Secretary of Defense Ashton Carter to ask for help in coordinating a DOD-based site visit to Sugar Grove.

After several unsuccessful attempts due to adverse weather, this site visit took place in May 2013 and was attended by high level representatives from the DOD, the U.S. Navy, the U.S. Air Force, the U.S. Army, the West Virginia National Guard, as well as Senator Manchin and your staff. This day-long visit gave these officials the opportunity for a firsthand look at how the complex could continue to provide the government with facilities, equipment, and human capital to carry out a national mission at an affordable and secure location. The visit also included lunch with local officials to showcase the long-standing and positive relationship the base has enjoyed with Pendleton County. After the site visit, you lead letters with Senator Manchin thanking each official for visiting and asking them to expedite their respective review processes since they had an opportunity to personally tour the site.

Shortly after this visit, you introduced the Pendleton County Commission to the DOD Office of Economic Adjustment (OEA), an entity within the Pentagon that helps communities impacted by military downsizing. At your request, a DOD OEA official has traveled to Pendleton County on a number of occasions to help the Pendleton County Commission develop a \$300,000 regional

planning grant through OEA that will aid the area in developing a plan to replace lost economic activity.

Over the 2013/2014 timeframe, the Sugar Grove lower base was officially screened through the DOD and all other federal agencies to determine if there is another federal use for the Sugar Grove lower base. Unfortunately, neither DOD nor any other federal agency reported a current need for the property. Without question, the timing of recent severe budget cuts, coupled with the sequester, could not have been worse for finding a new federal tenant for Sugar Grove as agencies simply did not have new missions or “extra money” to assume new property. With no federal takers, the Navy recently reported Sugar Grove as excess to the GSA.

Once GSA took over responsibility of Sugar Grove in 2014, your office convened numerous meetings and calls with GSA and the Navy to make sure that the government property disposal process was proceeding at the necessary pace so that any entity interested in acquiring the property is able to do so before the lower base’s scheduled Oct. 2015 closure.

At this date, GSA is now simultaneously advertising the property for up to a 100% discount to HUD for homeless purposes and to state, local, and eligible non-profits, such as colleges/universities, for a variety of public benefit purposes.

You have worked very closely with all of the entities which have expressed interest in taking ownership of the Sugar Grove lower base through GSA’s government surplus property process. This includes the Ambit Group (no longer a contender), KVC, and now the WV Division of Corrections. Your staff has meet with each of

these organizations, some of them multiple times, and have put them in touch with all the appropriate federal, state, and local personnel officials and made other introductions so that they can submit well thought out reuse plans and make their best case to the Pendleton County region at large.

Appalachian Farming Systems Research Center, Beaver

Despite your stalwart efforts to preserve the Beaver facility, an effort that included many letters to the U.S. Department of Agriculture (USDA) Secretary Tom Vilsack, the Office of Management and Budget, and the Senate Appropriations Committee, the 55-employee Beaver research center ceased operations in January 2012. After its closure, you worked tirelessly to make sure that the USDA was doing everything possible to help the 55 employees transition and continue working for USDA in jobs throughout the state, if they desired. After the facility closed, you informed WVU leadership that the university had a unique opportunity to acquire the property at no cost directly through the Department of Agriculture as a result of a special bill provision. After much deliberation, however, the university passed on this opportunity. Currently, GSA is working on subdividing the property between New River Community and Technical College, which seeks to use the main lab as an instructional campus, and Raleigh County 911 Operations Center, which seeks to use some of the acreage for emergency staging purposes.

Background: The Agricultural Farming Systems Research Center in Beaver had been in operation for more than 30 years and designed management practices that sustain productivity and

profitability of pasture-based livestock systems that deliver improved soil, water, and air quality.

For cost savings purposes and a realignment of agriculture research facilities, the President's FY 2011 budget request proposed elimination of funding for the Beaver facility and nine additional Agricultural Research Service centers across the country in Alaska, California, Florida, Georgia, Louisiana, Ohio, Oklahoma, South Carolina, Texas, and West Virginia.

When you learned of the FY 2011 budget proposed to close Beaver, you lead a delegation letter with Senator Carte Goodwin and Representative Nick Rahall to USDA Secretary Vilsack in September 2010, expressing deep concern about the President's recommendation and highlighting the continued need for the research performed at the Beaver facility. You were quite disappointed in Secretary Vilsack's response, which was in your opinion terse and failed to demonstrate an understanding of the impacts of this decision on your constituents and their families during one of the most constrained economies in recent history. Nevertheless, you were successful in thwarting the closings that year as a result of the report language you secured in a final FY 2011 appropriations bill that prohibited the closures.

Soon after, you sent a letter to Office of Management and Budget (OMB) Director Jacob Lew in which you requested funding in the Administration's FY 2012 budget proposal for several West Virginia projects and national programs, including \$8.2 million for the Beaver facility. However, this request was not honored as the President's FY 2012 budget once again proposed the elimination of the Beaver facility and nine other Agricultural Research Service centers across the country.

In the FY 2012 appropriations cycle, you lead another fight to preserve funding for the ten ARS facilities nationwide that were slated for closure. You submitted your own letter and later lead a Dear Colleague letter with Senators from the ten states impacted by the budget proposal to terminate ARS facilities. Despite your strong objections, Congress ultimately approved the USDA's request to close the ten ARS labs in a final FY 2012 appropriations bill.

However, rather than closing this file, you then set your sights on securing the best possible outcome for the 55 Beaver employees. You sent another letter to USDA Secretary Vilsack and your staff was in regular contact with his staff to make sure the agency was meeting with the Beaver staff to clearly articulate the closure process and all of the employment transition options that were available to them.

In an effort to exhaust all possibilities to reuse the facility, you brought to WVU's attention a special FY 2012 bill provision that allowed the USDA Secretary to transfer the closed ARS labs to interested land grant institutions located in the impacted states. Initially, then-WVU President Jim Clements and his team expressed great enthusiasm to you about acquiring the ARS lab, especially since the university had once been engaged with several research endeavors at the lab and because it was eager to preserve and expand its land grant institution mission in southern West Virginia. However, after much deliberation, WVU decided not to pursue acquiring the facility in May 2013 as a result of federal and state budget cuts and an opportunity to grow its role in the management of the Green Bank telescope.

Later, WVU decided to submit an application to acquire the lab through GSA's Public Benefit Conveyance process noting that the GSA acquisition process was much more flexible. Unfortunately, shortly after the application was filed, WVU was notified that its proposal was not eligible as it did not meet the basic criteria of the GSA program. Currently, in concert with your office, GSA is working to subdivide the property between New River Community and Technical College, which proposed to use the facility as an instructional campus, and the Raleigh County 911 Center, which proposed using a portion of the property for emergency staging purposes.

NASA Independent Verification and Validation Center (IV&V), Fairmont

For the past four years, you have successfully fended off the Administration's attempts to cut the budget of the NASA IV&V Center in Fairmont by twenty percent. Your efforts through the appropriations process have annually saved 40 STEM-based contractor jobs at the 195-employee IV&V Center. For FY 2015, the Administration proposed an even deeper twenty-five percent cut. In the recently passed FY 2015 Omnibus Appropriations bill, you were successful again in making sure that the NASA IV&V Center budget was sustained at a level of \$39.1 million, rather than at the President's recommended level of \$29 million. Most recently, you have written to the NASA Administrator to strongly encourage NASA to maintain the entire NASA IV&V operation in West Virginia, rather than moving the federal personnel to NASA Goddard in Maryland.

Background: The establishment of NASA's IV&V program followed a recommendation from the National Research and Challenger Investigation Board that cited increased need for software assurance and early testing. From that important recommendation over twenty years ago, NASA has been relying on activities conducted by the IV&V Center in Fairmont to check and double-check all software used in NASA space missions as a layer of quality assurance to ensure that missions go as planned, and a cost-saving mechanism to find problems at early stages.

In total, the IV&V Center supports 275 employees, including 44 federal personnel located in a facility owned by WVU at the West Virginia High Tech Consortium Park; five WVU staff (three of whom are on-site with the civilian staff); 144 contractors housed in a WV High Tech Consortium facility located next to the WVU facility; and 82 contractors who are either located at other NASA Centers or contractor sites across the country. These are the type of STEM jobs that you have been trying to nurture throughout your career and that have played a huge role in transforming the economy in North Central West Virginia. The talents of the IV&V Center staff also reach well beyond supporting critical NASA projects. Through its Education Resource Center, it has exposed thousands of West Virginia students and teachers to the wonders of science, particularly in the areas of enhanced robotics and engineering initiatives.

Beyond being completely engaged in fighting off repeated budget cuts to the NASA IV&V Center, you have recently been engaged in making sure the center stays in West Virginia. This summer, the NASA IG released a report concluding that the NASA IV&V

Center could make additional funds available for its core work by reducing operations and maintenance costs. The IG recommended that NASA undertake a more detailed review, but also laid out several scenarios for cost savings, including renegotiating with WVU, moving the entire operation next door to a facility owned by the West Virginia High Technology Consortium (WVHTC), or relocating the civilian staff to NASA's Goddard Space Flight Center in Maryland.

NASA officials have assured your staff that the agency has no intentions of moving the operation out of West Virginia. Nevertheless, in view of the local concern about losing the IV&V Center to Maryland and how the IG report inaccurately portrayed WVU as uninterested in re-negotiating costs, you sent a letter to NASA Administrator Charles Bolden.

Your letter specifically asked NASA to proactively reach out to both WVU and WVHTC leadership for a more thorough analysis of all the alternatives that exist in West Virginia. At your office's persistent urging, WVU personnel have been in close contact with NASA IV&V personnel and recently submitted three options on ways O&M costs could be reduced. The NASA IV&V Director has recently submitted a recommendation on how it can achieve cost savings to NASA Headquarters. A final decision by NASA HQ is anticipated by December 31. If NASA decides to relocate IV&V personnel to the WVHTC facility or NASA Goddard in Maryland, NASA will undertake an additional review to determine the most feasible way to dispose of WVU's building since it was built with NASA funding.

National Energy Technology Laboratory (NETL), Morgantown

For the past four years in a row, you have also been successful in fending off severe budget cuts to the Fossil Energy Research and Development (FE R&D) program through letters and personal dialogue with Senate Energy and Water Appropriations Chairwoman Dianne Feinstein. In the FY 2015 Omnibus Appropriations bill, you had a major win by securing a final level of \$571 million for the FE RD program, nearly \$95 million above the President's FY 2015 budget request of \$476 million and \$10 million above the FY 2014 enacted level.

Background: The FE R&D program is administered by the 1,400-employee National Energy Technology Laboratory (NETL), which is primarily based in Morgantown and Pittsburgh. You have fought fiercely for the FE R&D funding that supports NETL for a number of reasons. First, NETL and its STEM-based workforce is an economic engine for the North Central region. Second, NETL works in close collaboration with WVU on advancing fuel, turbine, sequestration, fuel cell research. Third, and most importantly, the clean coal technology R&D that NETL conducts is virtually the only hope that coal has to remain as a viable energy source in the future.

NETL's current form was created in 1999, when Secretary Bill Richardson designated the Federal Energy Technology Center, co-located in Morgantown, WV, and Pittsburgh, PA, as the National Energy Technology Laboratory, the only national laboratory dedicated to fossil energy.

You might recall that NETL was the recipient of \$3.4 billion in clean coal funding provided by Congress under the American

Recovery and Reinvestment Act of 2009. This funding was intended to be a one-time stimulus to demonstrate the current generation of technology for carbon capture and storage from coal and industrial sources.

On September 8, 2010, you accompanied Secretary of Energy Chu on a tour of DOE's NETL in Morgantown, WV. During that trip you strongly encouraged him to submit more robust FE R&D budgets because at that time coal champion Senator Byron Dorgan was stepping down as Chairman of the Senate Energy and Water Appropriations Subcommittee. You warned him that there may not be a willingness on the Senate or House Appropriations Committees to fill any holes in future Fossil Energy R&D budgets, (and you were correct on the Senate side when Senator Dianne Feinstein became Chairman over the Energy and Water subcommittee). Later that day, you took part in announcing that NETL and NETL's Regional University Alliance, which included West Virginia University, would receive \$40 million from the Recovery Act to develop simulation tools to accelerate the development and deployment of industrial carbon capture and storage technology.

There was great hope this event would set the stage for a more secure and stable future for NETL which has endured quite a roller coaster history in its past. However, this good will was short lived as the Obama Administration has since repeatedly short funded NETL's base funding (the Fossil Energy Research and Development program). Later that year, despite your personal communication with Secretary Chu, the department eliminated some of NETL's programmatic responsibilities under the

Department's Office of Energy Efficiency and Renewable Energy which resulted in the loss of 60 federal personnel.

Beyond the continued budgetary struggles, NETL's overall viability could be in jeopardy in the coming years. In the FY 2014 Omnibus, Congress directed the Department of Energy to appoint a Commission for a BRAC-like review of the department's laboratory structure. The Commission's guidance is to determine whether the current structure is properly aligned with the agency's current objectives and to determine whether there are opportunities for consolidations, realignments, and cost savings. Your staff has been attending and keeping track of the Commission's public meetings.

Unfortunately, NETL may be vulnerable in the second phase of the Commission's review which is to determine whether there are opportunities for consolidations, realignments, and cost savings that will be examined starting next spring. This is because of NETL's unique Government-owned, Government-operated status (all the other DOE labs are contractor operated); NETL has two major campuses in Morgantown and Pittsburgh; the position of Assistant Secretary for Fossil Energy has been unfilled for several years so NETL has been void of strong advocacy at DOE for quite some time; and NETL has a new Director, Dr. Grace Bochenek, who has a very accomplished military career, but no direct experience in energy issues.

DOD Biometrics Identity Management Agency (BIMA), Clarksburg: Through constant interface with Pentagon officials and the Senate Appropriations Committee, you have been successful in seeing that the BIMA operation in Clarksburg has

survived a series of management changes at the Pentagon, as well as accidental and purposeful budget cuts.

Background: Established in Clarksburg beginning in 1999, BIMA supports 150 federal and contractor personnel in leased space in downtown Clarksburg. This operation is one of the federal anchors on which you have been steadily building a private sector biometrics industry through the Discover the Real West Virginia Foundation.

Your engagement with BIMA started in late 2011/early 2012, when Secretary of the Army John McHugh announced that he would be realigning the direction and management of BIMA. You were actively engaged in this issue, sending the Secretary several letters to make a case that the West Virginia BIMA operation not only be maintained, but expanded, as part of this effort. In March 2012, Army officials advised you that BIMA would be transferred to the Office of Provost Marshal General (the umbrella organization for the Defense Forensic and Biometrics Agency) and provided you with assurances that the Army did not anticipate any loss of funding, mission or personnel at BIMA Clarksburg, and highlighted goals to build upon BIMA's existing relationship with the FBI and other federal agencies.

Shortly after receiving this communication and then reviewing the President's FY 2013 budget request, you found that the Army zeroed out the DOD account that supports BIMA Clarksburg. Army officials were called to your office, and claimed that this was an oversight due to the transition to the Office of the Provost Marshal General. You worked closely with former Senate Appropriations Chairman Dan Inouye to largely restore this account in the final FY 2013 appropriations bill and later wrote to

the Secretary of the Army to strongly encourage the Army to make up the remaining shortfall. As a result of your efforts, the final FY 2013 funding level for BIMA was \$27 million.

However, due to the sequester cuts, the Army then attempted to cut BIMA's FY 2013 budget by 87%, which would have resulted in massive staff reductions at BIMA Clarksburg and the shutting down of its biometrics database. Through behind-the-scenes dialog between your office and BIMA personnel, this proposed cut never materialized.

More recently, you learned that the FY 2014 NDAA measure included bill language directing the Secretary of Defense to provide the Armed Services Committee with an assessment of the future biometrics program, including its structure, management, and processes. Your staff met with Senate Armed Services staff for an interpretation. We were assured that this was a "good government" provision that both the Senate and House Committees believed was necessary to reassess how the DOD manages its biometrics activities now that the U.S. is withdrawing from Afghanistan and considering the current budgetary situation. This briefing occurred in summer 2014, and has not resulted in any additional changes at BIMA.

You have also been exerting vigorous oversight to make sure that BIMA is still on a path to move into the new FBI-DOD Biometrics Technology Center on the FBI CJIS campus in summer 2015. It is largely anticipated that many of the challenges BIMA has faced in the past will greatly subside once BIMA establishes its permanent presence at the new center and begins daily collaborations with the FBI on emerging biometric technologies, especially in the areas of facial and voice recognition.

FIGHTING FOR THE APPALACHIAN REGIONAL COMMISSION



“If you are truly committed to economic growth and development in Appalachia then you have to fight for the ARC. You have to fight to see that it has the resources it needs in the federal budget. You have to stand up and fight each time for its reauthorization. That is what I have done and that is what I will continue to do as long as I have the privilege to be your Senator.”

Jay Rockefeller

ARC Conference in Charleston, July 2005

Introduction

Senator, this chapter is focused on your unrelenting championship of the Appalachian Regional Commission (ARC), so that this agency could fulfill its mission in tackling the Appalachian region's most pressing challenges – jobs, healthcare, infrastructure, and education. Because of you, this important agency has survived multiple funding attacks. As a result of its continued existence, West Virginia has been able to receive more than \$3 billion for its Appalachian Development Highway System and \$300 million for a wide variety of projects since your days as Governor.

This chapter will reveal how you consistently fought for the overall viability of the ARC and promise of the Appalachian Highway Development System (ADHS) for the betterment of the people of Appalachia and West Virginia.

Your History with the ARC

In the 1950s, one of every three Appalachians lived in poverty and per capita income in the region was 23 percent lower than the U.S. average. In 1960, the Conference of Appalachian Governors was formed by the heads of state in the region and in 1961 they approached President John F. Kennedy to ask for federal assistance. In 1963, he formed a federal-state committee that became known as the President's Appalachian Regional Commission (PARC) and directed it to draw up "a comprehensive program for the economic development" of the area. The result of the PARC's efforts was outlined in an April 1964 report which President Lyndon B. Johnson used as the basis for legislation

developed with the bipartisan support of Congress. Senator Jennings Randolph was a sponsor of the Appalachian Regional Development Act, which became law in March 1965.

Your involvement with the ARC came about during your first year as Governor in 1977 when you hosted the Appalachian Conference on Balanced Growth and Economic Development in Charleston. The success of that conference served as the cornerstone for President Jimmy Carter's White House Conference on Balanced Growth and Economic Development, which you chaired the following year in 1978. This event helped to enhance ARC's credibility as a vital and unique economic development organization.

In 1980, you served as the States' Co-Chairman of the ARC. The following years, the ARC faced its most serious fight for survival when President Ronald Reagan repeatedly called for its abolition, with the exception of the ADHS program during his first term. You and then-States' Co-Chairman Lamar Alexander (then Governor of Tennessee) co-authored a resolution which said to the Reagan Administration that the Governors would not bow down to the Administration's effort to disband the Commission. In 1982, you testified in strong support of the ARC during a Senate Environment and Public Works field hearing in Huntington. For the remaining years of the Reagan Administration, the President would try to kill the ARC and Congress would ultimately resurrect it.

In 1985, shortly after your election to the U.S. Senate, you began a tradition of introducing ARC re-authorization bills during each Congress to keep the Commission alive. In January 1989, you

and Senator Byrd paid a visit to the White House to inform newly elected President George H. W. Bush (1989-1993) of the importance of the ARC. His Administration's first budget request, which he essentially inherited from President Reagan, completely zeroed out both ARC non-highway and ADHS funding. However, in subsequent years, President Bush supported the ARC, allegedly to help carry out Mrs. Bush's adult literacy campaign.

In 1992, you were recognized by the Local Development Districts for your commitment to the ARC. Mike Wenger, who served as your ARC representative in the Governor's office, introduced you. His introductory remarks, as outlined below, most certainly captured the breadth of your commitment to the betterment of West Virginia and all people of the Appalachian region.

"HIS SERVICE AS A VISTA VOLUNTEER IN WEST VIRGINIA, HIS TENURE AS PRESIDENT OF WEST VIRGINIA WESLEYAN COLLEGE, HIS GIVING OF PERSONAL RESOURCES TO HEALTH CARE EFFORTS, AND HIS UNSWERVING LEADERSHIP ON BEHALF OF LONG-TERM CARE FOR THE ELDERLY, IMPROVED CARE FOR THE YOUNG, AND HEALTH CARE FOR ALL MARK HIM AS A SINGULAR POLITICIAN, VASTLY DIFFERENT FROM TODAY'S "GO-ALONG TO GET-ALONG" POLITICAL POLICY MAKERS. FOR HIM PUBLIC SERVICE IS NOT SIMPLY A PROFESSION, IT IS A LIFE-LONG PERSONAL COMMITMENT. AND IT IS A LIFE-LONG PERSONAL COMMITMENT TO THE PEOPLE OF WEST VIRGINIA AND TO THE PEOPLE OF APPALACHIA. JAY ROCKEFELLER CAN DO ANYTHING HE WANTS. BUT JAY ROCKEFELLER CHOOSES TO SERVE. AND BECAUSE HE HAS CHOSEN TO SERVE, APPALACHIANS OF ALL AGES, ALL INCOME LEVELS, AND ALL STATIONS IN LIFE HAVE BENEFITTED FROM HIS SENSITIVE, COMPASSIONATE, AND ARTICULATE ADVOCACY ON THEIR BEHALF."

-MIKE WENGER

While the ARC was largely supported by the Clinton Administration (1993-2000) a number of conservative groups, including the Concord Coalition and Citizens Against Government Waste, took up a cause to call for the elimination of the ARC for deficit reduction purposes. This prompted others who felt that the ARC was essentially a Governors' "slush fund" to pile on. You might recall one article that was written by Dale Van Atta and published in the August 1993 edition of the *Reader's Digest*. His article entitled "You Can't Kill a Good Giveaway – For Years Taxpayers Have Been Taken for a Ride in Appalachia – On What Might Be the Longest Gravy Train In History" grossly distorted the intent and impact of the ARC. You were deeply disturbed by his misleading portrayal of the ARC and the people of the region, and immediately came to the ARC's defense and authored a lengthy rebuttal that appeared in a subsequent *Reader's Digest* edition. Your rebuttal in its entirety can be found at the end of this chapter.

In the middle of his eight-year term, President George W. Bush (2001-2009), slashed the non-highway budget of the ARC by half in FY 2004, but you and a bipartisan group of Members of Congress pounced to its defense and were successful in restoring its funding. After this vigorous congressional defense of the ARC budget, the Bush Administration sought relatively stable funding for the ARC throughout the remaining years of his term.

"But in spite of all this demonstrable success, we have had to defend the ARC from those in the Administration who hoped to drastically cut it. Those efforts failed because a bipartisan group of Members of Congress said it would not be tolerated – and we stared down the ARC cuts initially proposed by the Bush Administration. This year, they didn't even attempt to block grant ARCThey knew we would fight it again. I think I can safely speak for the entire delegation when I say – Not On Our Watch will you gut the ARC. "

Jay Rockefeller, ARC Conference in Charleston, July 18, 2005

With your strong continued advocacy, the ARC has endured in the Obama Administration, albeit with a relatively flat budget of approximately \$68 million, with the exception of the FY 2013 post sequestration level of \$65 million. Last year in FY 2014, the Administration sought the lower level of \$65 million, but despite that recommendation, the ARC received a substantial boost of \$80.3 million. This is largely due to House Appropriations Committee Chairman Hal Rogers (KY), who restored the ARC to pre-sequestration levels at your urging and added an additional \$10 million for high-speed broadband deployment in counties most negatively impacted by the downturn in the coal industry. The majority of these funds will go to Kentucky, but Clay, Lincoln, and McDowell counties in West Virginia will also benefit. In the FY 2015 Omnibus, with your support, the ARC was allocated an even higher level of \$90 million. This includes another \$10 million set aside for broadband and an additional \$10 million for automotive workforce training that Senator Lamar Alexander included largely for Tennessee counties.

In March 2014, you received a “Lifetime of Service” Award from the Development District Association of Appalachia, the organization that represents the local development districts that support the Appalachian Regional Commission (ARC). ARC Federal Co-Chair Earl Gohl presented this award to you, and was joined by a number of West Virginia state and local economic development officials. They sought to recognize your career-long advocacy on behalf of the ARC, devotion to fighting the war on poverty, and the numerous ARC initiatives you spearheaded or participated in including the 2011 Grant Writing Workshop in Charleston, the ARC-Centers for Disease Control diabetes

prevention initiative, and the Appalachian Jobs and Local Food Systems Tour.

As the following will attest, your support of the agency has been well founded. ARC officials report that since the agency's inception, ARC has helped cut Appalachia's poverty rate from 33 percent in 1960 to 16.6 percent over the 2008-2012 period. They also highlighted that the number of high-poverty counties (those with poverty rates more than 1.5 times the national average) in the region declined from 295 in 1960 to 107 over the 2008-2012 period.

ARC officials also report that during the majority of your time of service as Governor and Senator, the following was accomplished in West Virginia through ARC support and funding:

- The poverty rate in West Virginia has been reduced from 22.2% in 1970 to 17.5% in 2011;
- The number of high poverty counties in West Virginia has been reduced from 38 in 1970 to 9 in 2011;
- The number economically distressed counties in the state is down to just eight (Calhoun, Clay, Gilmer, Lincoln, McDowell, Roane, Webster, and Wirt);
- More than \$300 million in ARC funds has been invested in West Virginia. This funding supported 1,600 ARC projects, which were matched with nearly \$750 million in other local, state, federal, and private funds for a total investment of \$1.050 billion;
- Of the 1,600 projects, 740 were water and sewer projects that today serve 150,000 West Virginia families;

- During your eight years as Governor, you awarded ARC grants to a large array of projects that included child and elderly care, healthcare, industrial parks, vocational education, transportation infrastructure, higher education, housing, and libraries, as well as parks and recreational developments;
- West Virginia has received more than \$3 billion for its Appalachian Development Highway System; and
- As of September 30, 2014, 92% of West Virginia's Appalachian Development Highway System (ADHS) (roughly 370 miles) is complete, leaving only Corridor H to be completed. Before 1976, only 55% of the ADHS in the state was complete (roughly 234 miles).

Appalachian Development Highway System

During your Senate years, you also dedicated yourself towards the completion of the Appalachian Development Highway System. The President's Appalachian Regional Commission (ARC) in its 1964 report to President Lyndon Johnson said, "Development activity in Appalachia cannot proceed until the regional isolation has been overcome. Its cities and towns, its areas of natural wealth and its areas of recreation and industrial potential must be penetrated by a transportation network which provides access to and from the rest of the nation and within the region itself. Its penetration by an adequate transportation system is the first requisite of its full participation in industrial America"

You clearly recognized that the completion of the ADHS would result in safer travel, more efficient transport of goods and services, improved access to crucial services, reduced

commutes, and new economic development opportunities for West Virginia. For you, it was paramount that the promise of the Appalachian Development Highway System be kept. For the entire ADHS, that meant completing the 3,025-mile (later expanded by 65 miles in SAFETEA-LU) road system throughout the Appalachian region. In West Virginia, that meant completing **Corridor D** between Clarksburg and Parkersburg and then into Ohio; **Corridor E** between Morgantown and Hancock, Maryland; **Corridor G** between Charleston and Logan and then into Kentucky; **Corridor H** between Weston and, eventually, Wardensville on into Virginia; **Corridor L** from Sutton to Beckley; and **Corridor Q** from Bluefield to Glen Lyn.

However, when you began your Senate career, funding for the ADHS was largely dependent on intermittent and uncertain annual appropriations and earmarks from U.S. Treasury general fund. It was clear to you that without a more robust and stable source of funding, the ADHS network might never be completed.

In February 1989, with strong support from the Appalachian Governor's, you introduced a new legislative initiative designed to encourage the completion of the network by the year 2000, by tapping into the surplus funds of the Federal Highway Trust Fund to push forward on corridor construction.

With the important seed that you planted, you and Senator Byrd were ultimately successful in securing a provision in the Transportation Equity Act for the 21st Century of 1998 (TEA-21), and subsequent transportation reauthorization measures, that provided direct contract from the Highway Trust Fund to fund the ADHS. This was a huge milestone in accelerating the

construction of the ADHS and making sure that West Virginia received its fair share.

In 2011, you reintroduced the Appalachian Development Highway System Completion Act, a measure you had cosponsored with Senator Byrd in the previous Congress, to fully fund the completion of the ADHS within the next 6 years, the typical time span of a transportation bill. In the Administration's FY 2012 proposed transportation measure, which included its own surface transportation proposal, it recommended consolidating multiple highway accounts including the ADHS. You were concerned about this proposal because fundamentally it meant that the completion of the ADHS would be left to the individual states to decide to continue spending their allocation on their incomplete corridors or redirect funding to other eligible activities.

Ultimately, you were successful in securing a provision in the Moving Ahead for Progress in the 21 Century Act (MAP-21) of 2012 to highlight the national importance of the ADHS and, most importantly, increase the federal cost share of the ADHS network to 100%. Your ingenious provision serves as a major incentive for states to complete their ADHS corridors.

According to the ARC's FY 2015 budget request submitted in March 2014, over 86% (or 2,666 miles) of the total 3,090 miles of the ADHS authorized by Congress for construction are open to traffic and another 91 miles are under construction. The remaining 332 miles, most of which will traverse through some of the most mountainous terrain in the region, are in the location or final design stages. ARC's most recent cost-to-complete study projects the cost for completion of the entire ADHS at

\$11.4 billion, with the majority of the work in Alabama and Pennsylvania.

In West Virginia, 368 of the 410 eligible miles of the ADHS are complete. The completed West Virginia corridors include:

- Corridor Q (U.S. 460), completed in 1978
- Corridor E (I-68), completed in 1991;
- Corridor G (U.S. 119, State Route 214), completed in 1997;
- Corridor L (U.S. 19), completed in Fall 1998; and
- Corridor D (U.S. 50), completed in 2008.

All the remaining ADHS miles to complete are all on Corridor H. At this date, 97 miles of Corridor H are open to traffic. Another 10 miles are under construction and 31 miles are left to construct. According to the West Virginia Department of Transportation, the most recent cost-to-complete for Corridor H is estimated at \$1.3 billion. On the current funding path of approximately \$40 million annually, this would put the completion of Corridor H in West Virginia in the 2041 timeframe. On the other side of the state line is about eighteen miles of proposed highway in Virginia that would connect West Virginia section's to I-81. While Virginia has long publically indicated it is opposed to completing this segment, the upcoming retirement of long-time Congressman Frank Wolfe (VA), an adamant opponent of Corridor H, may help change that position in the future.

The unwavering support you have given to the ARC throughout your entire career has dramatically reduced poverty and provided important services and infrastructure to people throughout West Virginia. You have ensured that millions of dollars have been available to support projects across West Virginia. Your

determination to see the ADHS through, even in the face of stern opposition or the dragging of feet, has literally opened both West Virginia and the entire Appalachian region up to the rest of the country. If it were not for your constant work to ensure the ARC's survival, West Virginia and Appalachia as a whole would be a very different place today.

As mentioned previously in this segment, we close this chapter by including your passionate *Reader's Digest* rebuttal to Dale Van Atta's mischaracterization of the ARC and its value to the people of Appalachia.

THE APPALACHIAN REGIONAL COMMISSION
THE LITTLE ENGINE THAT COULD
BY
UNITED STATES SENATOR JOHN D. ROCKEFELLER IV

In the early 1980s, Mrs. Elizabeth Williams, a retired school teacher well into her seventies, started a grassroots movement to obtain a public water system for several rural communities in Wyoming County in the heart of southern West Virginia's coalfields. Many residents did not have indoor plumbing, ground water was seriously contaminated with iron, and the nearest laundromat was ten miles away. Today, thanks largely to Mrs. Williams' efforts and to a grant from the Appalachian Regional Commission, nearly the entire eastern third of the County has water, there has been a local housing boom, and a state community college has been constructed.

Several years ago, a group of elected officials, local business people and interested citizens from Princeton, West Virginia, raised sufficient local funds to match a grant from the Appalachian Regional Commission to acquire and renovate a large vacant building in the community. Space in this building was then made available for limited time periods at low rent and shared overhead costs to small businesses during their critical start-up periods. Among the success stories is Mountaineer Home Nursing, started as a two-person business in 1986 by Kathy Shorter York. Today, it has 48 employees and provides a vital community service.

I could continue endlessly to describe the impact of Appalachian Regional Commission projects in West Virginia--the Mid-Atlantic Aerospace Complex near Clarksburg, which has become one of West Virginia's major employers; the 11 rural communities which have embarked on a community self-help program to construct small, innovative wastewater treatment facilities to enable them to meet the requirements of the Clean Water Act; the primary health care clinics in rural areas which previously had no doctors; the vocational education facilities which are turning out youngsters ready to work; the adult literacy and drop-out prevention programs; and on and on.

This West Virginia story is duplicated in each of the other 12 Appalachian states, from the southern tier of upstate New York to northeast Mississippi. And they demonstrate how distorted and misleading the article about the Appalachian Regional Commission carrying Dale Van Atta's by-line in the August Reader's Digest truly is.

Mr. Van Atta, under contract to Reader's Digest, traveled extensively in the region in his role as an investigative reporter and conducted numerous interviews with people knowledgeable about the program. During his research and at its conclusion, he confided in several people, including some he interviewed, that he had seen lots of good projects, had found no hint of fraud or corruption, and would find it difficult to write a negative article.

Yet, the article (1) takes quotes completely out of context; (2) cites current statistics of growing communities to disparage the need for projects which the ARC funded 20 years ago, rather than give legitimate credit to those projects for the improved economic picture in these communities; and (3) insults all the good, intelligent, hard-working people of Appalachia by choosing as an example an unfortunate man who has been unemployed for most of his life, and has been jailed on charges ranging from child abuse to murder.

Little wonder, then, that the program the article describes, the region it portrays, and the people it holds up as examples bear little resemblance to the reality I have seen and experienced during the past 27 years -- as a VISTA volunteer during the ARC's early years, as Governor of West Virginia and a member of the Commission during its most productive years, and as a United States Senator during its incredible and successful fight for survival in the 1980s.

The ARC, more than any other government program I know, is the antithesis of a "giveaway." It is, in fact, a unique

partnership between the Federal government and the 13 Appalachian States, created in 1965 on the recommendation of a group created by President Kennedy shortly before his death and chaired by Franklin D. Roosevelt, Jr. Its mission was to address the searing poverty of our nation's most isolated and neglected region.

The results have been dramatic, primarily because virtually every project (1) is designed and implemented by local community leaders from both the public and private sectors; (2) requires state and/or local matching funds; and (3) has a demonstrable impact on the quality of life and the number of private sector jobs available in a community. Most of the ARC money is allocated to states through needs-based formulas, and the thirteen Appalachian States pay fifty percent of the Commission's administrative costs. These are hardly the characteristics of a "giveaway."

The article ignores the fact that a study by the conservative American Enterprise Institute in 1977 concluded that the "ARC is working as it was intended to work. Its strengths are flexibility, responsiveness, improvement of state and local planning processes, and increased involvement by state and local governments in the funding process."

Since 1965 the ARC has invested more than \$6 billion in Appalachia. Because of support from other government agencies, state and local matching funds, and private sector support, these investments have been leveraged at rates as high as six or seven to one.

Four billion dollars of this money has been devoted to construction of a network of highways in order to overcome the region's isolation, and make it accessible to new business and industry. The importance of highways is evidenced by a study which shows that over eighty percent of the more than two million new private sector jobs created in the region since 1965 have been created in counties with an Interstate highway or an Appalachian Development highway. More than 2,200 miles of the planned 3,000-mile system are now complete.

More than \$2 billion has been invested in the economic health of the people of Appalachia in communities from Jamestown, New York to Tupelo, Mississippi.

The ARC has helped develop a network of more than 700 vocational and technical education facilities with the capacity to train more than 400,000 students during the school year. When BMW announced last year that it had decided to build a major plant in Appalachian South Carolina and create 2,000 new jobs, it cited available job training programs as one of the primary reasons for its decision. Those job training programs are, for the most part, the result of ARC investments.

Through a network of primary health care clinics, the ARC has brought primary health care within reach of virtually all residents of rural Appalachia. The number of doctors, nurses, midwives and physician assistants in rural communities has increased, infant mortality has decreased, and the health of Appalachia's children has never been better.

The ARC has rehabilitated 20,000 housing units. In addition, the ARC has been on the cutting edge of innovative approaches to housing development finance, thus decreasing the number of families living in substandard housing, expanding the number of affordable housing units in the region, and making the dream of home ownership a reality for the first generation of many families in Appalachia.

The ARC has completed more than 2,000 water, sewer, waste disposal and other types of community development projects. For many counties, ARC funding provided the first sewer and water lines, improving public health and providing the essential infrastructure to attract business development.

The ARC has helped thousands of children and families through its child development projects. It has provided the opportunity for working families to have access to quality care on a "sliding needs" scale, which can serve as a model for addressing the needs of the working poor in both rural and urban America.

In fact, I believe the ARC itself -- with its unique partnership, its flexibility, and its regional approach to solving problems -- can serve as a model for addressing concerns in concentrations of rural economic distress throughout our nation.

Its Federal-state-local partnership, which mandates the involvement of Governors and local community leaders, substantially reduces bureaucratic red tape and insures more responsible and responsive decision-making.

Its flexibility allows locally determined needs to be addressed without federally-imposed artificial restrictions. Local leaders looking at what they need, rather than Washington bureaucrats hewing to arcane federal regulations, decide whether a health care clinic or a new water system is more vital to the development of their community.

Its regional approach produces significant cost savings and helps to focus attention on economically-distressed rural areas which otherwise could be easily ignored in Washington.

Rather than abolish the ARC, we should explore ways to apply its lessons to areas like the Lower Mississippi Delta, the U.S.-Mexican border areas, and other concentrations of rural economic distress.

Its impact in Appalachia is clear. For an expenditure of \$6 billion over 28 years (about one half the estimated cost of the superconducting super collider), the results have been astounding. When the ARC was created, one in three Appalachians lived below the poverty line. By 1990, that number had been cut in half, to 15.2 percent.

In 1965 only 32 of every 100 Appalachians over 25 years of age had finished high school. Today, more than twice that number, 68.4 percent have graduated from high school.

In 1965 infant mortality rates in portions of Appalachia rivaled those of third world nations. In 1990 the infant mortality rate in

Appalachia was 9.3 per 1,000 births, compared with 9.1 for the United States as a whole.

Since 1965, per capita income in Appalachia has risen by nearly five percent, to 81.5 percent of the national average in 1990.

In the 1950s more than two million Appalachians left the region in search of jobs, opportunity, and a better life for their children. With the help of ARC and other programs, families in many parts of the region are no longer forced to leave their homes and communities to find stable employment, good schools, and accessible health care.

It is clear, beyond any reasonable argument, that the ARC has been a catalyst for change throughout the region and a crucial element in helping to overcome the isolation and neglect that had trapped Appalachia in poverty.

But a century of neglect and exploitation cannot be cured in one generation. The recessions of the 1980s, the loss of manufacturing jobs nationally, and the decline in funding for important Federal programs have had a disproportionate effect on Appalachia, just when the light at the end of the tunnel was beginning to glimmer.

We cannot abandon our responsibility now. We need to finish the job begun nearly three decades ago by a group of committed Governors, a determined President and a courageous Congress.

One final note. As I said at the outset, the article describes a program, a region, and a people that are unrecognizable to me. I invite the editors of Reader's Digest to join me on a tour of the region.

Visit projects that have made a difference. Talk to people about the changes they have seen in the past 28 years -- parents whose children are healthy and have hope for the future, workers whose jobs are stable and fulfilling, families living in the first home they've ever owned, business people who have invested in Appalachia because of ARC investments.

You will see a different Appalachia than the one described in the article. You will see a region struggling, to be sure, but a region of people with pride, dignity, perseverance, and hope for the future; people who reject government hand-outs, but are grateful for the hand up which the ARC provides; people who believe that the ARC is not a "gravy train," as the article claims, but "the little engine that could."

TAKING RISKS FOR NEW JOBS



“You have two choices in job development. You can take no risks, and boy will you be safe. Or, you can take a shot and help change the image of West Virginia. If you don’t try it, it won’t happen, but you’ve got to try.”

Jay Rockefeller
Martinsburg Journal, April 1, 2001

Introduction

For the most part, the majority of your job pursuits have paid tremendous dividends to the State. However, there were a few companies and federal opportunities that either did not make it in the long term or decided upon another out-of-state site for its new operation. This chapter focuses on your extraordinary efforts related to Sino Swearingen, Tiger Aircraft, and the State Department's proposed Foreign Affairs Security Training Center (FASTC). Even though Sino Swearingen and Tiger Aircraft no longer reside in West Virginia and the State Department ultimately decided to build its FASTC in Fort Pickett, Virginia, we recount your herculean endeavors to bring these investments to West Virginia because they underscore the extent to which you pursued every promising job creation opportunity that was brought before you.

Sino Swearingen

In 1991, you first met with Ed Swearingen and John Novak from Swearingen Engineering and Technology, Inc. to discuss locating a facility in West Virginia. In summer 1992, the company announced its plan to locate its final assembly plant for its new business jet, the SJ30, in Martinsburg, pending financing. You worked with the company to locate investors, meeting with a team from Lockheed Martin and traveling to Taiwan to meet with government and business officials to discuss the possibility of a joint venture. While searching for investors, you also helped the company with its construction of the Martinsburg facility, creating a state Swearingen Action Team to address the company's questions and announcing the approval of a \$2 million grant from

the Economic Development Administration to pay for infrastructure improvements at the Eastern West Virginia Regional Airport.

In January 1995, an agreement was reached between Swearingen Aircraft and the Taiwanese company Sino Aerospace Corporation, officially creating the Sino Swearingen Aircraft Company (SSAC). You participated in the new company's official signing agreement and in March 1996, ground was broken at the 180,000 square-foot Sino Swearingen Aircraft manufacturing facility, located on the newly named John D. Rockefeller IV Science and Technology Center at the Eastern West Virginia Regional Airport. In fall 1997, SSAC took its newest version of the SJ30, the SJ30-2, to the Paris Air Show and the National Business Air Association's trade show, where it quickly became a hit.

From 1998 onward, SSAC was in a perpetual funding shortage. Due to delays with part contractors and fulfillment of funding from investors, FAA certification of the SJ30-2 was pushed back again and again, subsequently prolonging the period during which the company was not profitable and forcing it to rely on even more cash infusions from investors. During the many years in which the company had to rely on cash infusions to stay aloft, you were the driving force in making sure that the company's investors, principally the Taiwanese government -- but also private investors such as the China Development Industrial Bank, Yao-Hua Glass Company, and Taiwan Aerospace Corporation -- realized the potential of SSAC and acted to invest the money the company needed.

To this end, you made countless phone calls and personal correspondence to a large array of business and government officials -- from ambassadors to Taiwanese government officials, business executives, and even the President of Taiwan. You also traveled to Taiwan on several occasions and met with all level of government officials to ensure they did not abandon the company. If not for your constant support and advocacy, the company would never have made it past its initial funding shortage, much less have been able to stay in business for so long.

Finally in October 2005, after many years of delays and a herculean effort on your part to ensure investors' commitments to the company, the SJ30-2 received Type Certification from the FAA which allowed SSAC to produce planes for sale. Unfortunately, despite the success of finally receiving certification, the company was still suffering from financial difficulties stemming from years of start and stop funding. In 2008, SSAC was bought by Emivest Investment and Development Corporation (EIDC), who changed the company's name to Emivest Aerospace.

Although Emivest initially had plans to increase production in Martinsburg, the onset of the global financial recession prevented the company from obtaining any additional credit and depressed demand for business jets. You once again stepped in to help the company locate another source of investment, calling the Ambassador to the United Arab Emirates (which owned EIDC) on multiple occasions to encourage them to directly invest in the company, which was so close to success. You also put the company in touch with representatives from additional U.S. investors, including BB&T and JPMorgan Chase. Unfortunately, in October 2010, the company filed a Chapter 11 bankruptcy

petition, and, in April 2011, the company was bought by Metal Technologies Incorporated (MTI) of Cedar City, Utah. MTI moved Emivest's assets from Martinsburg to their Utah location, where they continued to manufacture the SJ30 under the new company name, SyberJet Aircraft.

Although Sino-Swearingen had a troubled investment history and eventually left West Virginia, this company still had a positive impact on the community and should still be considered a success. Sino Swearingen was the first company to build and certify a corporate jet from scratch in the United States since Lear Jet nearly 45 years prior. The fact that this small startup company was able to do so is an enormous achievement in aviation history and it is as much your achievement as it is theirs. While the company eventually left West Virginia after purchase by MTI, the SJ30-2 is still produced today. It is possible that the company would have succeeded in West Virginia if not for the global recession of 2008.

Sino Swearingen also had an important impact on West Virginia. At its height, the company employed 155 people at its Martinsburg facility. While this is not as high a number as had initially been envisioned, the company still provided jobs to people in the area who might not otherwise have had them, or who may have moved to other areas with a more established aerospace presence. Providing these jobs to West Virginians was important to those employed and provided them with the income, training, experience, and pride that come with having a job.

Tiger Aircraft

In summer 1997, you were contacted by James Chu and Taiwanese Vice Minister of Economic Affairs Dr. Yiin Chii-ming about an opportunity for Tung Lung Metal (TLM) Industry Company to establish an aircraft production facility in the United States. TLM, a Taiwanese company, had plans to buy the licenses and machinery needed to manufacture Tiger Aircraft, formerly an American company that had achieved Type Certification but had gone out of business in 1993. TLM formed TLM Aerospace and created a joint venture with the U.S. company Teleflex to form their U.S. subsidiary, TLM Aircraft. Although TLM originally had plans to locate its facility in Georgia after being offered an attractive incentive package, the company agreed to meet with you about the possibility of locating their facility in West Virginia instead. You were able to put together a competitive incentive package for the company and you ultimately convinced them that West Virginia would be a better choice for their new venture. As a result of your personal involvement, TLM chose to locate their new facility in Martinsburg.

In April 1998, the company broke ground at the John D. Rockefeller IV Science and Technology Park. Despite its initial success, it soon became apparent that TLM was running into trouble. Tong Lung Metal was facing enormous financial difficulties at the time, which caused them to default on their investment into TLM aircraft and prevented them from guaranteeing the issuance of construction bonds to finance the project. Further, the agreement between TLM and Teleflex stated

that if TLM defaulted on their payments, Teleflex, who had no commitment to West Virginia, would assume control of the assets. You worked extremely hard trying to help TLM find a new investment partner. You engaged closely with business executives and Vice Minister Yiin to locate and bring in a new partner, as well as tried to find a company to guarantee the bonds. You also spent a great deal of effort convincing Teleflex to hold off on taking control of the company's assets and to continue to provide bridge funding until a new source of financing could be found. Finally, in September 1999, a new source of funding was identified which bought out TLM's share of the company and changed the name to Tiger Aircraft.

In November 2000, you participated in the grand opening of the Tiger facility in Martinsburg, and just a year later the new Tiger Aircraft model rolled off the factory line in December 2001. Tiger's success continued until 2005, when the company again ran into financial difficulties. You contacted the Taiwanese government, especially Deputy Minister of Economic Affairs Chen Ruey-long to try to secure additional investment from the Taiwanese government, who owned a substantial stake in the company, and worked to help Peter Lo, Vice President of Tiger, to obtain a visa for a potential business partner from China. Unfortunately, the Taiwanese government was not willing to invest in the company further, and the company was not able to find another investor. In May 2006, Tiger closed its Martinsburg facility. In January of 2007, the company filed for Chapter 7 bankruptcy and its Type Certification was sold to True Flight from Florida. Although the company eventually went out of business, it was still successful for several years, employing 65 West

Virginians at its peak and producing a total of 51 planes.

State Department's proposed Foreign Affairs Security Training Center

You exerted extraordinary efforts on two separate occasions in an attempt to locate the State Department's proposed Foreign Affairs Security Training Center (FASTC) in West Virginia, an operation that would have resulted in 850 to 1,000 new jobs in the state. Unfortunately, in the spring of 2014, the State Department reconfirmed, and the Office of Management and Budget approved, the agency's intentions to proceed with the project at Fort Pickett, Virginia.

Although the decision not to locate the FASTC in West Virginia was disappointing, there was a silver lining to the decision. Thanks to your persistence, West Virginia received a major consolation prize when the State Department awarded a \$95 million contract to the Summit Point Raceway, located in southern Jefferson County, in spring 2014. This contract ensured that the Summit Point Raceway will continue to serve as the State Department's primary interim homeland security training center for at least the next five years. Because the FASTC project is currently so behind schedule and still short at least \$350 million in a very constrained budget environment, we project that the Summit Point Raceway will stand to benefit from serving as the interim training site for at least the next five to six years, and possibly longer.

Background: For the past fifteen years, the Department of State has attempted to develop a permanent training center to provide a full spectrum of training for its law enforcement, security, and foreign affairs employees. Currently, its training occurs at nineteen leased sites across the country, which is both costly and inefficient. Originally, it was envisioned that one centralized center would support 850-1,000 employees who would provide training to about 8,000-10,000 students per year.

You became involved in this project in 2010 after the State Department unsuccessfully attempted to develop the FASTC at three different sites over the previous ten years; first at Aberdeen, Maryland; then at the Summit Point Raceway in West Virginia; and finally in Queenstown, Maryland.

Once it was clear that the Queenstown community did not want the FASTC in their backyard and the Maryland delegation supported that verdict, you launched an aggressive effort in 2010 and 2011 to bring the FASTC to the Eastern Panhandle or Camp Dawson. You were motivated by the large influx of jobs that the center would bring to the state, as well as its potential synergy with the large number of homeland-security-related federal operations that were already located in West Virginia.

Through many letters to, and staff meetings with the State Department and General Services Administration, you convinced the agencies to visit a site in Charles Town, which was one of the alleged top contenders in the previous competition, and the West Virginia National Guard's Camp Dawson in Preston County, which is home to the Guard's Joint Interagency Training and Education Center.

Soon after the initial visits, the State Department informed Charles Town that it would only be reviewing government-owned property. This decision, while disappointing, enabled you to direct all your energies toward landing the FASTC at Camp Dawson, which resulted in your convening two subsequent agency site visits to Camp Dawson. General Hoyer made a compelling case that the major features the Department of State was seeking either already existed or were currently under construction at Camp Dawson. He stressed that all of these facilities could be utilized on a permanent shared basis or on a temporary basis while the FASTC was being built, thus saving the Department of State significant funding and time.

In October 2010, rumors began circulating that the agencies had initiated a feasibility study to co-locate the FASTC at Fort Pickett, a Virginia National Guard installation near Blackstone, VA. This facility is located more than three hours from Washington, D.C., and just southwest from Richmond. As a result of these rumors, you called Department of State Under Secretary Patrick Kennedy to re-emphasize the many benefits that could be realized by locating the FASTC at Camp Dawson and asked that the agency conduct a comparable feasibility study at Camp Dawson.

Under Secretary Kennedy did not commit to the feasibility study, but he did send another team to Camp Dawson shortly after your call. However, at the conclusion of the visit State Department personnel reported to your staff that they continued to have concerns about the distance of Camp Dawson from Washington, D.C., along with concerns about the topography of the site General Hoyer had recommended for the driving tracks.

Not wanting to give up the fight, you led a December 2, 2010, delegation letter to Secretary Clinton asking that she send Under Secretary Kennedy to Camp Dawson. Just before the holidays however, the State Department and GSA met with your staff to inform you of the “new” site-selection criteria that had recently been developed. State Department officials revealed for the first time that the agency was not interested in any shared usage of existing or future facilities and planned to pursue new construction for each element of the FASTC campus.

You were extremely upset by this news because it was apparent that the State Department identified Fort Pickett as a preferred site, and then developed in-house criteria and other unofficial positions to justify its selection, rather than having a fair and open competition.

You led one last delegation letter to Secretary Clinton outlining your disappointment about the timing and substance of the new criteria, as well as the lack of consideration given to cost and time efficiencies and future operational training needs. In your closing paragraph you wrote:

“The schedule for the FASTC has already lapsed for more than a year. Each day this project is delayed places the existing funding for the FASTC at risk for rescission attempts and makes more difficult the agency’s ability to budget for the remaining funds to complete the project. The FASTC should be developed at a cost and within a timetable that is the best value for the American taxpayer and for the fine men and women that it will serve. Camp Dawson fits that bill.”

Your prediction was 100% correct. Today, nearly three years later, construction of the FASTC has yet to begin, the projected costs have escalated from \$350 million to \$950 million (although the project scope and cost has recently been scaled back to \$460 million) and now severe funding caps are in place for the next ten years.

Another Shot in 2013

Despite the State Department's disappointing decision, you continued to track the progress of this project. In fall 2013, you learned that Office of Management and Budget (OMB) put a "hold" on the project as result of the escalating costs of construction and the current severe budget scenario. As part of this pause, OMB directed the GSA and State Department to conduct an alternative analysis of a joint usage scenario with the Federal Law Enforcement Training Center (FLETC) in Glynco, Georgia. FLETC is a component of the Department of Homeland Security, and provides basic training to officers and agents from all federal departments and all three branches of government. The State Department balked at this directive given that it has been adamant about having its own dedicated facility and how far Georgia is from the Washington, D.C. region.

Because you knew that the State Department has been conducting aggressive driving and other homeland security training on a leased basis at the Summit Point Raceway for over 25 years, your office convened a meeting with Mrs. Barbara Scott, President of Summit Point Raceway. Your intent was to determine whether there was another opportunity to land this

facility in West Virginia in view of the unique OMB pause. Your office later followed up with a March 2013 site visit to Summit Point. During this visit, we learned that the State Department had recently ramped up to 100 staff at Summit Point and invested more than \$15 million to build a multitude of training facilities and venues over the last two years. The majority of these facilities were representative of the types of facilities that will one day be built at Fort Pickett.

Mrs. Scott was eager to make a case that the government could save hundreds of millions of dollars by locating the FASTC at the Summit Point Raceway. Off-the-record, she was willing to sell her business and additional available adjacent land (in total 1,800 acres) in the \$50-\$60 million range – far less than the \$950 million price tag for the facility at Fort Pickett.

As a result, you led a September 2013 letter with Senator Manchin to OMB Director Sylvia Mathews Burwell asking her to send an OMB team to the Summit Point Raceway to examine the opportunities for the U.S. Government to realize significant cost savings and allow the State Department to have the full-scale training center it requires in the immediate future.

Two days after your letter was sent, Mrs. Scott was advised that OMB planned to visit the Summit Point Raceway that week. However, this visit was ultimately cancelled due to the October 1-17, 2013, government shutdown. Your staff followed up with OMB several times after the government reopened to ascertain when they could make this trip; however, their visit never materialized.

In spring 2014, Secretary of State John Kerry announced that the agency had reviewed FLETC at a possible site but remained convinced that Fort Pickett was the right location to build the FASTC. Just around the time this announcement was made, Mrs. Scott's company was awarded a very sizeable \$95 million contract to continue to serve as the department's primary interim training site for at least the next five years.

Just recently in summer 2014, three GOP House Committee Chairmen challenged the Fort Pickett site, arguing that substantial cost savings could be achieved by leveraging the existing FLETC site (with estimated upgrades of \$272 million). They have asked Secretary Kerry to not move forward with Fort Pickett until General Accounting Office complies with their request to compare the costs associated with Fort Pickett and FLETC.

Because the State Department has made its intentions clear that Fort Pickett is the site, you chose not to join forces with House Republicans to try to pry the project away from Virginia. When you made the pitch to OMB that they visit the Summit Point Raceway last fall, OMB had put the project on an official hold, which made it fair game to ask them to re-explore Summit Point.

EPILOGUE



“We have to know who and what we must fight for in our work. We have to know and understand who will benefit. And we have to be ready for it to take a long time - longer than we want. Sometimes it takes five or ten years, but we cannot ever give up the fight because we keep in our souls the faces of the people we try to help – the people all too often left behind.”

Jay Rockefeller, Senate Farewell Speech, Dec. 2014

“Nothing I do in Washington is more important in my judgment than my work in creating jobs and opportunities in our state.”

Jay Rockefeller

Charleston Rotary Club Speech, January 1996

As you bring a close to your long career, you can depart with deep satisfaction in knowing that your decades of determined work to create jobs and diversify the state’s economy has had a deep reaching impact on the well being of so many West Virginia families and the State of West Virginia, as summarized below.

- Through your personal relationship with the Japanese people and the creation of DRWV Foundation, you opened up West Virginia’s borders to international investment, creating thousands of jobs. Today foreign-owned companies employ 25,800 workers in West Virginia, including the 3,000 workers who are employed by the 22 Japanese companies that you single handedly brought to the state.
- Through your DRWV Project Harvest trade and reverse-trade missions, you personally introduced West Virginia companies to international corporations, opening their eyes to the prospects of exporting. In 2012, 1,120 companies exported from West Virginia. Of those, 77% were small and medium sized businesses. And, West Virginia’s export shipments of merchandise in 2013 totaled \$8.6 billion, nearly quadruple the 2001 level of \$2.2 billion.

- In recognizing the need for continued diversification, you successfully nurtured new business growth in the state in such sectors as biometrics, information technology, aerospace, biotechnology, and plastics. In North Central West Virginia, the region has diversified into new sectors in biotech, forensic science, biometrics, cybersecurity, energy harvesting, as well as aerospace manufacturing that today supports 12,000 technology sector jobs.
- You stood by the sides of steel workers and coal miners who were severely impacted by the recession of the 1980s, and helped the state's manufacturing industries ride the winds of change through your personal and legislative pursuits.
- Through the substantial investments and groundwork that you laid as Governor and continued to pursue in your Senate career, you revolutionized the state's tourism and travel industry. Today, West Virginia is benefiting from \$4.38 billion in travel-generated spending.
- You greatly expanded the Federal Government's footprint in West Virginia. Today, the West Virginia is home to nearly 20,000 federal employees (not including Postal Workers), nearly double the level of 10,500 federal employees in 1984.
- You fought for the continued viability of the Appalachian Regional Commission, so that this agency could fulfill its mission in tackling Appalachian region's most pressing challenges – jobs, healthcare, infrastructure, and education. With ARC's continued existence, West Virginia has received

more than \$3 billion for its Appalachian Development Highway System and \$300 million for a wide variety of projects since your days as Governor.

- Although not included in this memo, it is worth noting that you saved thousands of existing jobs that were in jeopardy -- including those at AT&T, Rite Aid, and the entire pepperoni roll industry -- and always there to help individual businesses and communities with their initiatives and problems.

All of these efforts and many more were all done with the distinct purpose of making sure that all West Virginians had the opportunity to have a good and stable job now and in the future. Each one of your pursuits were exceedingly difficult and time consuming, but despite the sometimes seemingly insurmountable challenges, you never relented or lost sight of your objective to create jobs and economic development opportunities for the people of West Virginia.

Senator, this memo will close with a quote from Rudy Henley of McCabe-Henley in Charleston, who so beautifully captured the true essence of your jobs legacy when thanking you for your long-term efforts to help make the Stonewall Jackson Resort a reality.

“I bring this to your attention by way of saying thank you for all you have done for Stonewall and for our State. Stonewall Resort is no doubt like many projects and initiatives you have nurtured throughout your career – it has taken enormous time, effort, and persistence to bring the project to fruition. Your patience, focus on results, determination to do the “right thing,” and perseverance on behalf of the state and the country are remarkable, and exemplify the best of leadership qualities. Too often results are measured in terms of media coverage and immediate gratification, rather than progress over time. The true measure of your public service is the success of the projects you have nurtured over many years – in some cases decades – and the integrity with which you have served. I salute you, and I thank you.”