

Steel Industry Preservation Act

Introduced by Senators Shelley Moore Capito (R-W.Va.), Sherrod Brown (D-Ohio), Rob Portman (R-Ohio), and Bob Casey (D-Pa.) and Representatives Mike Kelly (R-Pa.) and Mike Doyle (D-Pa.)

A strong domestic steel industry is critical for our nation's economy and our national security. To help support jobs in this important economic sector while also improving our environment, the *Steel Industry Preservation Act* would eliminate an Environmental Protection Agency (EPA)-designated hazardous waste and save energy by incentivizing the production of steel industry fuel.

Steel industry fuel is produced through a process liquefying coal waste sludge—an EPA-designated hazardous waste—distributing the liquefied product on metallurgical coal, and using the resulting mixture as a feedstock for the manufacture of coke.

The *Steel Industry Preservation Act* will create a tax credit worth \$2 per barrel of oil equivalent for the production of steel industry fuel made at a steel industry fuel facility placed in service within 18 months of enactment. The credit will extend for 10 years from the date the facility is placed in service.

The benefit of the credit will flow to steel producers, as well as workers, and will make producing steel less expensive. This will improve the competitiveness of domestic steel manufacturing and help strengthen opportunities for workers across the industry.

Additionally, the process will create new jobs as steel industry fuel facilities are built and operated.

Alternative methods of disposing of coal waste sludge involve off-site incineration—using one energy source to dispose of another—or land filling.

Incentivizing the production of steel industry fuel will help preserve the domestic steel industry, make efficient use of our energy resources, and improve our environment.