



September 9, 2026

The Honorable John Thune  
Majority Leader  
United States Senate  
511 Dirksen Senate Office Bldg.  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
322 Hart Senate Office Bldg.  
Washington, DC 20510

Dear Majority Leader Thune and Minority Leader Schumer:

As representatives of the American steel sector – we urge you to work together to ensure passage of the bipartisan *Connected Vehicle Security Act of 2026*<sup>1</sup> before the end of this Congress. The Senate Committee on Commerce, Science and Transportation recently passed this commonsense bill by voice vote. Now is the time for the full Senate to act. In doing so, the Senate can send the clear message that it stands with the American automotive industry and its workers and that it will not surrender the U.S. auto market to the Chinese Communist Party (CCP).

The *Connected Vehicle Security Act of 2026* is a commonsense effort to address the economic and national security threats posed by the entry of Chinese connected vehicles into the domestic market. This bill would codify the Department of Commerce’s connected vehicle rule which was crafted and finalized over the course of the past three presidential

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<sup>1</sup> Connected Vehicle Security Act of 2025 (S. 4429 – Sens. Moreno and Slotkin; H.R. 8730 – Reps Moolenaar and Dingell); available at: <https://www.congress.gov/bill/119th-congress/senate-bill/4429?s=3&r=4>

administrations.<sup>2</sup> Codifying this bipartisan rule into federal law would send a clear signal to American automakers and our allies about the rules of the road governing the U.S. automotive market.

Congressional efforts are even more critical given the role that China's state-sponsored industrial policy has played in decimating many American manufacturing sectors. China's nonmarket industrial policy model has been a direct and systemic challenge to many key American industries. China's accession to the World Trade Organization precipitated the well-documented "China shock,"<sup>3</sup> during which U.S. manufacturing industries and communities<sup>4</sup> were decimated by a surge in low-cost, state-supported imports. Since China's accession to the WTO, Chinese steel production has grown by nearly 1,000 percent and now accounts for over half of global steel capacity.

We are concerned that allowing Chinese access to the U.S. auto market risks triggering a "China Shock 2.0" that will replicate these effects in another key American manufacturing sector. In 1980, China had virtually no domestic auto production. China's automakers are now pumping out 31 million cars each year – far in excess of domestic demand – and then dumping those cheap cars on global markets.<sup>56</sup> Between 2021 and 2024, China's auto exports surged 300 percent, and the number of internal combustion cars exported increased six-fold.<sup>7</sup> These state-sponsored actions support the declining Chinese auto sector which "contracted by a fifth this year."<sup>8</sup> In fact, "[f]aced with fierce competition and overcapacity at home, Chinese carmakers are exporting vehicles in record numbers."<sup>9</sup> Chinese automotive overcapacity distorts global markets and enables pricing that market-based competitors cannot sustainably match. Allowing Chinese automakers, or joint ventures involving Chinese firms, to establish a manufacturing presence in the United States would risk replicating these distortions within the U.S. market.

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<sup>2</sup> *Securing the Information and Communications Technology Services Supply Chain: Connected Vehicles*; BUREAU OF INDUSTRY AND SECURITY, DEP'T OF COMMERCE (Jan. 16, 2025); 90 Fed. Reg. Docket 250107-0005; available at: <https://www.federalregister.gov/documents/2025/01/16/2025-00592/securing-the-information-and-communications-technology-and-services-supply-chain-connected-vehicle>

<sup>3</sup> Autor, David H. and Dorn, David and Hanson, Gordon H.; *The China Shock: Learning from Labor Market Adjustment to Large Changes in Trade*; NBER WORKING PAPER NO. 21906 (Jan. 2016); available at:

[https://www.nber.org/system/files/working\\_papers/w21906/w21906.pdf](https://www.nber.org/system/files/working_papers/w21906/w21906.pdf)

<sup>4</sup> Smith, Tyler; *Numbing the Shock: Is there a link between free trade and deaths of despair?*; AMERICAN ECONOMIC ASSOCIATION (Mar. 9, 2020); available at: <https://www.aeaweb.org/research/deaths-despair-trade-liberalization-china>

<sup>5</sup> Jakobowski, Jakub and Oertel, Janka; *Electric shock: the Chinese threat to Europe's industrial heartland*; EUROPEAN COUNCIL ON FOREIGN RELATIONS (Competing companies are "not up against Chinese businesses – they are up against the strategic ambitions of the Chinese Communist Party.") (May 15, 2025); available at:

<https://ecfr.eu/publication/electric-shock-the-chinese-threat-to-europes-industrial-heartland/>

<sup>6</sup> *2025 Report to Congress*; U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION ("U.S.-CHINA COMMISSION") ("The world is facing the threat of a China Shock 2.0, whereby overproduction in key industries across China's highly subsidized manufacturing sector floods outward, causing major harm to industries in other countries.") (Nov. 2025) (p. 430); available at: [www.uscc.gov/sites/default/files/2025-11/2025\\_Annual\\_Report\\_to\\_Congress.pdf](http://www.uscc.gov/sites/default/files/2025-11/2025_Annual_Report_to_Congress.pdf)

<sup>7</sup> Carey, Nick; *China Floods the world with gasoline cars it can't sell at home*; REUTERS (Dec. 2, 2025); available at: <https://www.reuters.com/investigations/china-floods-world-with-gasoline-cars-it-cant-sell-home-2025-12-02/>

<sup>8</sup> Dahl, Jordyn; *China made Germany's car giants. Now it's helping break them.*; POLITICO (Jul. 30, 2026); available at: <https://www.politico.eu/article/china-germany-car-sales-loss/>

<sup>9</sup> *Id.*

Additionally, allowing Chinese companies and Chinese autos into the U.S. would create consequential, unacceptable national security risks. The U.S. Department of Commerce has determined that vehicles linked to Chinese firms present national security risks, including the potential for sensitive data collection, surveillance, and remote system access through connected vehicle data platforms, like sensors, cameras, and continuous network connectivity. Domestic assembly does not mitigate these concerns, as control over software, hardware, and data governance remains subject to Chinese government control.

In addition to undermining U.S. government security efforts, permitting Chinese automakers to enter the U.S. market would create new avenues for tariff evasion and the introduction of subsidized inputs into the domestic supply chain. Recent history for key manufacturing sectors has shown that any promises of a deal with the CCP in auto trade would be illusory and would result in U.S. job loss, deindustrialization, and growing Chinese dominance in the global auto market. Instead, policies should prioritize strengthening domestic manufacturing capacity, creating resilient domestic supply chains, preserving and growing American manufacturing jobs, and ensuring the nation's ability to respond in times of crisis, not be dependent on adversaries.

We urge the Senate to address the threat posed by Chinese automotive technologies by passing the *Connected Vehicle Security Act of 2026*.

Sincerely,

Sincerely,

Alliance for American Manufacturing (AAM)  
American Foundry Society (AFS)  
American Iron and Steel Institute (AISI)  
American Wire Producers Association (AWPA)  
Cold Finished Steel Bar Institute (CFSBI)  
Committee on Pipe and Tube Imports (CPTI)  
International Association of Machinists and Aerospace Workers (IAM Union)  
Specialty Steel Industry of North America (SSINA)  
Steel Manufacturers Association (SMA)  
United Steelworkers (USW)

Cc:

Speaker of the United States House of Representatives, Mike Johnson  
Democratic Leader, Hakeem Jeffries  
Chair Ted Cruz; Senate Commerce, Science and Transportation Committee  
Ranking Member Maria Cantwell; Senate Commerce, Science and Transportation Committee