



**American  
Iron and Steel  
Institute**

**Steelgram**

**Immediate Attention Requested**

**June 7, 2018**

**To: Senate Trade Staffers**

**Oppose Legislation to Undermine Section 232 Trade Enforcement**

**Background:** Repeated surges in unfairly traded steel imports fueled by global excess capacity threaten the long-term viability of the American steel industry, which is critical to our national security and directly and indirectly supports nearly two million American jobs. Despite efforts to address this import crisis through use of targeted trade remedy laws, imports have continued to increase as excess steel production is easily transshipped through third countries not subject to trade remedy orders. In addition, efforts to address the underlying causes of this crisis through international negotiations at the G20 Global Forum on Steel Excess Capacity have not produced concrete results to date.

**Situation:** Over the last year, the Commerce Department undertook an investigation under Section 232 of the Trade Expansion Act of 1962 to determine if steel imports threaten to impair national security. The Department determined that the steel industry is essential to our national security and has been adversely impacted by the significant level of imports in recent years, and recommended that the president take action to limit steel imports through tariffs and/or quotas. The president thereafter imposed a 25 percent tariff on steel imports, with certain countries subject to quotas as an alternative remedy. The objective of these measures is to enhance U.S. national security by permitting the domestic steel industry to return to an economically sustainable level of capacity utilization.

Legislation has been introduced by Senator Corker and others that would prevent the president from providing trade relief under Section 232 – including the existing relief on steel imports – unless a joint resolution of approval is first enacted by Congress. This legislation, which may be offered as an amendment to the National Defense Authorization Act, would jeopardize the president's actions on steel that are already resulting in the restart of idled steel production facilities and the calling back of laid-off workers. It would also undermine the ability of the president to continue critical negotiations with our trading partners in North America and elsewhere to establish alternative means for addressing the threat to our national security caused by the global steel import crisis.

**Request:** AISI urges all senators to oppose the Corker amendment and any other amendment to hamper the president's ability to use Section 232 to safeguard our national security. Thank you for your continued efforts on behalf of American manufacturing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Thomas J. Gibson".

Thomas J. Gibson  
President and CEO