



**American
Iron and Steel
Institute**

Steelgram

Immediate Attention Requested

March 27, 2015

**To: Members of the United States House of Representatives
House staff assigned to steel and/or trade issues**

PLEASE SIGN ON TO CRAWFORD/JOHNSON TRADE LAW ENFORCEMENT LETTER

Background: The American steel industry supports opening new markets and increasing U.S. exports and fully appreciates the role trade promotion authority (TPA) plays in the Administration's ability to negotiate new free trade agreements (FTAs). However, countries like China and Turkey continue to disrupt world markets by subsidizing the production and exportation of steel by their producers. These types of foreign government interventions are creating global overcapacity in steel and a surge of steel imports into the U.S which is causing many U.S. steel producers to make the very difficult choice of closing plants and laying off workers.

Situation: The steel industry is currently facing an historic surge in steel imports into the U.S. market that is largely a result of foreign government trade-distorting policies and the weakened global economy. Finished steel imports increased 36 percent from 2013 to 2014, capturing 28 percent of the U.S. market in 2014 compared to 23 percent in 2013, and we are on pace to set a record for import market share again this year. For the first two months of 2015, finished import market share has already reached 33 percent. The challenges of these imports remain particularly troubling given that U.S. producers are only using 69 percent of their production capacity in the most recent period of this year (data for the week of March 14, 2015). The U.S. trade remedy laws are currently the only means by which domestic industry can mitigate the harm inflicted upon it by dumped and subsidized imports. However, the effectiveness of those laws has been weakened over time. The steel industry, therefore, urges Congress to consider enforcement provisions to improve the effectiveness of our trade laws in addition to TPA. Strengthening the range of available tools to combat trade-distorting practices would go a long way in promoting fairer competition for U.S. industry and give the American people confidence that the U.S. government will fight for a level playing field for our farmers and manufacturers.

Request: Please SIGN ON to Representatives Rick Crawford and Bill Johnson's letter in support of consideration of legislation to improve our trade remedy laws as a part of the House Ways and Means Committee's efforts to advance a pro-growth trade agenda and Trade Promotion Authority legislation.

Thank you for your continued efforts on behalf of American manufacturing.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Gibson".

Thomas J. Gibson
President and CEO

March XX, 2015

The Honorable Paul Ryan
Chairman
House Committee on Ways and Means
1102 Longworth House Office Building
Washington, D.C. 20515

The Honorable Sander Levin
Ranking Member
House Committee on Ways and Means
1106 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Ryan and Ranking Member Levin:

As the House Ways and Means Committee considers trade promotion authority (TPA) legislation, we write to emphasize the importance of strong enforcement of our trade laws.

We recognize that opening new markets to American-made products through free trade agreements is critical to expanding the U.S. economy and creating jobs. And while Congress must provide the Administration with the appropriate tools to negotiate trade deals, we should assure that the American people and U.S. businesses will be protected against manipulative and unfair foreign competition. Along with TPA, we must ensure that our trade agreements and trade laws will be fully and vigorously enforced. Too often, foreign nations do not live up to the obligations they agreed to in trade agreements, leaving U.S. businesses to face trade distorting practices that put them at a competitive disadvantage.

When our trading partners engage in unfair practices that harm American industry, one recourse for U.S. farmers and manufacturers is to petition the federal government to enforce our trade laws. Unfortunately, the effectiveness of those laws has been weakened over time as exporters have developed evasive trade distorting practices and schemes. Our trade laws and remedies have been outpaced by enforcement challenges and prolific evasion, and the U.S. has become less competitive as a result of our inability to counteract these unfair practices. Therefore, we urge the Committee to consider enforcement provisions to improve the effectiveness of our trade laws. Strengthening the range of available tools to combat evasion of our trade remedy laws would go a long way in promoting fairer competition for U.S. industry.

Addressing trade enforcement issues will give the American business community confidence that the U.S. government will fight for a level playing field for our farmers and manufacturers. Maintaining strong trade laws and vigorous enforcement of those laws are critical elements of our efforts to advance a pro-growth trade agenda that will expand the economy and create jobs.

Sincerely,

cc:

The Honorable Pat Tiberi
Chairman
Subcommittee on Trade
1203 Longworth House Office Building
Washington, D.C. 20515

The Honorable Charles B. Rangel
Ranking Member
Subcommittee on Trade
2354 Rayburn House Office Building
Washington, D.C. 20515