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Kevin M. Dempsey
President and CEO

February 27, 2024

The Honorable Jason Smith
Chairman
House Committee on Ways Means
1139 Longworth House Office Building
Washington D.C. 20515

The Honorable Richard Neal
Ranking Member
House Committee on Ways and Means
1129 Longworth House Office Building
Washington D.C. 20515

The Honorable Ron Wyden
Chairman
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington D.C., 20510

The Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington D.C., 20510

Dear Chairmen Smith and Wyden and Ranking Members Neal and Crapo:

I am writing on behalf of the Producer Members of the American Iron and Steel Institute (AISI) regarding the House Ways and Means Committee and Senate Finance Committee's potential consideration of trade legislation. AISI serves as the voice of the American steel industry in the public policy arena and advances the case for steel in the marketplace as the preferred material of choice. AISI's membership is comprised of both integrated and electric arc furnace steelmakers, and associate members who are suppliers to or customers of the steel industry.

As your respective Committees turn their attention to trade, we urge you to pursue a comprehensive legislative package that includes necessary updates to U.S. trade remedy laws. As it currently stands, our trade laws have not kept up with the efforts of China and other nations to circumvent and evade trade enforcement measures and to subsidize Chinese steel production in Southeast Asia via the "Belt and Road Initiative." For example, cross-border or "transnational" subsidies are not clearly countervailable under our trade remedy laws. As a result, Chinese government subsidized steel can be exported to the U.S. market from Chinese-owned steel producers in Indonesia and other countries, leaving U.S. producers no clearly available remedy to address the resulting injury to the U.S. industry and its workers.

To address this and other critical trade enforcement concerns, we urge you to incorporate the provisions of the Leveling the Playing Field 2.0 Act (H.R. 3882/S. 1856),

in any trade legislation that moves through Congress this year. This legislation expressly provides the U.S. Department of Commerce with the authority to use the countervailing duty law to address the growing problem of cross-border subsidies. It would also address the current lack of statutory deadlines for Department of Commerce circumvention inquiries, which result in significant delays for industry efforts to obtain relief against dumped and subsidized imports. In addition, the bill makes needed revisions to existing law to ensure the ability of the Department of Commerce to make “particular market situation” adjustments in antidumping investigations in all instances where home market costs have been distorted.

This important trade enforcement legislation has garnered broad bipartisan support. For example, last December the House Select Committee on the Chinese Communist Party released a detailed report that provided several recommendations to address strategic competition between the U.S. and China. Among these recommendations was enactment of the Leveling the Playing Field 2.0 Act “to update U.S. trade laws by addressing issues such as cross-border subsidies, simplifying investigations into circumvention and repeated product-related inquiries, and strengthening remedies to minimize PRC predatory economic practices.”

Addressing these trade enforcement issues is essential to ensuring that American industries and their workers have the tools needed to fight for a level playing field against the unfair trade practices we are seeing today. Thank you for your continued support of American manufacturing.

Sincerely,

A handwritten signature in black ink that reads "Kevin M. Dempsey". The signature is written in a cursive, flowing style.

Kevin M. Dempsey
President and Chief Executive Officer

cc: Chairman Adrian Smith, Ways and Means Subcommittee on Trade
Ranking Member Earl Blumenauer, Ways and Means Subcommittee on Trade
Chairman Tom Carper, Senate Finance Subcommittee on International Trade,
Customs, and Global Competitiveness
Ranking Member John Cornyn, Senate Finance Subcommittee on International
Trade, Customs, and Global Competitiveness