United States Senate

WASHINGTON, DC 20510-2309

May 31, 2017

By email: Steel232@bis.doc.gov

The Honorable Wilbur L. Ross, Jr. Secretary U.S. Department of Commerce 1401 Constitution Avenue NW Washington, DC 20230

<u>Re: Request for Public Comments and Public Hearing on Section 232 National Security</u> <u>Investigation of Imports of Steel</u>

Dear Secretary Ross:

As you know, a strong U.S. iron and steel industry is critical to our nation's security. I commend you on launching an investigation into the effect foreign trade practices have on our national security.

Throughout the history of our nation, the iron mines of Minnesota and the steel mills of the Midwest have made major contributions to our national security in times of need. According to some estimates, during World War II, 80 percent of the U.S. iron and steel used in the war effort originated in Minnesota's Iron Range – with a quarter coming from the Hull-Rust-Mahoning mine alone.

Today, the U.S. iron and steel industry remains integral to the national security of our country. As you heard during testimony on this issue at the Department of Commerce last week, it was U.S. steel producers, not foreign producers, who stepped up in 2004 to provide the steel armor needed to counter threats to U.S. military vehicles in Iraq. In addition, it is largely U.S. producers who provide the tens of thousands of tons of steel plate used in our aircraft carriers, the twenty or more tons of steel in Abrams tanks, and the thousands of tons in submarines, vehicles, missile systems, and other military applications.

Further, the domestic iron and steel industry's research and innovation remains a key national security asset for our nation. The U.S. iron and steel industry continues to reliably produce lighter, stronger, and more efficient products that are better than any others in the world. Access to future innovations is at risk if the iron and steel industry is allowed to move overseas.

Unfortunately, in recent years, our nation's iron and steel industry has been under threat by illegally priced foreign imports. Subsidized and dumped foreign steel from China, South Korea, and other nations has been flooding our markets in violation of international trade rules. These imports have cost hundreds of jobs in Minnesota and have threatened the long-term viability of the domestic iron and steel industry. We simply cannot afford to allow illegal foreign trade practices to undermine the U.S. defense industrial base.

The bipartisan U.S.-China Economic and Security Review Commission, which was established by Congress to provide expertise on issues such as this, shares my concerns about the risk of a diminished U.S. iron and steel industry. Last year, they reported "rampant overcapacity also poses a national security risk to the United States, as cheap Chinese steel and finished aluminum product imports threaten to hollow out the domestic industries and weaken the national defense industrial base."

In conclusion, we should not allow foreign steel imports to hollow out our industrial base and threaten our national security. I urge your continued attention to combatting improper trade practices in order to protect our national security.

Sincerel U.S. Senator

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