

# United States Senate

WASHINGTON, DC 20510

March 30, 2016

COMMITTEES:  
ARMED SERVICES

COMMERCE, SCIENCE AND  
TRANSPORTATION

HOMELAND SECURITY  
AND GOVERNMENTAL AFFAIRS  
PERMANENT SUBCOMMITTEE  
ON INVESTIGATIONS  
RANKING MEMBER

SPECIAL COMMITTEE ON AGING  
RANKING MEMBER

The Honorable Penny Pritzker  
Secretary  
United States Department of Commerce  
1401 Constitution Avenue, NW  
Washington, DC 20230

Dear Secretary Pritzker:

The Department of Commerce has a unique ability to use our trade enforcement laws to protect American workers and industries impacted by unfair trade. The countervailing duty (CVD) and antidumping (AD) investigations currently under review at the Department on a variety of steel products have the potential to restore international competitiveness for domestic manufacturers in Missouri and across the country.

Years of foreign steel overproduction and dumping of subsidized steel products into the U.S. have devastated the entire industry. Chinese steel production is up 540 percent since 2000. This increased production has contributed to a global excess steep capacity of 700 million metric ton, more than half from China, and a 36 percent increase of steel imports into the United States. This excess steel in the world market contributed to an 8 percent drop in U.S. steel employment last year. I urge the Department to do everything it can to fight these illegal and unfair trade practices to ensure that this vital manufacturing sector in our country can compete on a level playing field in the global trade arena.

The Department of Commerce has new tools at its disposal to address this important matter. Trade remedy measures were included in the Trade Preferences Extension Act of 2015, P.L. 114-27 which was signed into law on June 29, 2015. The new law includes provisions of The Leveling the Playing Field Act, which is included in Title V of the law. One important provision included in the law allows the Department with clear discretion to use adverse facts available to determine the appropriate dumping margins when a respondent does not cooperate with an investigation. Before the passage of this law, the Department of Commerce often faced challenges in the Courts over its use of adverse facts available in trade investigations. The provisions as included in Title V will now mitigate this litigation. The Department of Commerce now can and should utilize adverse facts available with renewed confidence following Congressional action reinforcing this important trade remedy tool.

The Department's comprehensive use of all of the tools at its disposal, including those in the Leveling the Playing Field Act, are essential to ensure that the entire U.S. steel industry and its workers receive relief from trade distorting practices. Whether a company manufactures steel or manufactures steel pipe and tube or other steel products, the laws should be enforced to ensure that there is relief provided to an industry that has been injured by unfair trade. In Missouri, the Department's administration of the laws will benefit the employees of American manufacturers that include Bull Moose Tube of Chesterfield and Gerald, EXLTUBE of N. Kansas City, Stupp

Bros., Inc. of St. Louis, and Trinity Products of O'Fallon at a time when unfairly traded imports coupled with chronic global steel overcapacity has led to losses, plant closures and alarming job layoffs throughout the nation.

Fair trade and the enforcement of our trade laws are critical to the success of our national economy and our ability to grow and expand our markets here and abroad. Fair trade is also essential to ensure that U.S. companies can continue to provide good wage jobs to their employees. The nation's steel industry has played an important role in the building of our nation and is critical to our national and economic security. I appreciate the Department of Commerce's role in enforcing our trade laws, and encourage the Department to do everything in its power to protect American businesses and workers from persistent unfair and illegal foreign trade practices.

Sincerely,

A handwritten signature in blue ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with a large initial "C" and "M".

Claire McCaskill  
United States Senator