

United States Senate

September 2, 2021

The Honorable Gina Raimondo
Secretary
Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

The Honorable Katherine Tai
Office of the U.S. Trade Representative
600 17th Street, NW
Washington D.C. 20508

Dear Secretary Raimondo and Ambassador Tai:

As our nation's economy rebounds from the COVID-19 pandemic, many U.S. manufacturers are struggling to take part in the recovery as the availability of steel and aluminum has plummeted and prices for raw materials have surged. While consumer prices have risen by about 4 percent in the past year, steel prices have risen by nearly 400 percent. Multiple factors have contributed to the current price surges and shortages of steel and aluminum supplies, however the Section 232 tariffs put in place in March of 2018 continue to make a challenging situation worse. I urge you to repeal the Section 232 tariffs on steel and aluminum to increase manufacturers' access to vital world supplies.

I support our nation having a strong and reliable domestic steel and aluminum industry. However, U.S. steel and aluminum producers simply cannot meet the current demand despite protectionist tariffs being in place on imports for over three years. Many Kansas manufacturers, including those who exclusively use domestically-produced steel and aluminum, do not have access to sufficient supplies to continue full operations, costing my state jobs and economic growth opportunities. The Section 232 steel and aluminum tariffs have failed to result in significant increases in production of domestic steel and aluminum, but have caused users to reduce manufacturing in the U.S. or to relocate production outside of our borders in order to have access to affordable supplies.

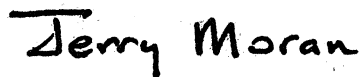
I applaud your efforts to reach an agreement with the European Union (EU) before the end of the year regarding steel and aluminum policies. A permanent agreement that terminates the 25 percent tariff on steel and 10 percent tariff on aluminum from the EU, while also eliminating the EU's retaliatory tariffs on U.S. exports would be a meaningful step in the right direction. Further, given that America's allies do not represent a threat to U.S. national security as implied by the Section 232 actions, agreement should also be sought with other major treaty allies such as Japan and Korea to provide relief from these tariffs and quotas. By working together with our allies to address excess global capacity, we can both support strong domestic steel and aluminum production and ensure U.S. manufacturers have access to sufficient supplies.

As Congress considers a significant investment in our nation's infrastructure, it is more important than ever to have sufficient access to steel and aluminum. The construction of roads, bridges, rail and other projects will require large quantities of raw materials. It is critical to prepare for this expected increase in demand for steel and aluminum by expanding access to supplies and reducing prices. A failure to address issues with steel and aluminum supply chains,

including by removing or modifying the current Section 232 tariffs, will diminish the impact of the infrastructure investments by shrinking the number of projects that can be completed. At the same time, increasing overall demand for raw materials while maintaining tariffs that tighten available supplies will exacerbate an already difficult situation for domestic manufacturers.

It is critical to pursue policies to rebalance the supply and demand of steel and aluminum for the more than 6 million American manufacturing jobs currently at risk in industries that use these products. Our nation cannot afford to hinder the economic recovery by maintaining the Section 232 tariffs on steel and aluminum. I look forward to working with you to address challenges with steel and aluminum to protect manufacturing jobs in Kansas and across the country.

Sincerely,

A handwritten signature in black ink that reads "Jerry Moran". The signature is written in a cursive, slightly slanted style.

Jerry Moran