## Hnited States Senate WASHINGTON, DC 20510

October 9, 2024

The Honorable Joseph R. Biden President of the United States The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear Mr. President,

We write to you today to express our concern for imports of fabricated structural steel (FSS) and prestressed concrete strand (PC strand) and urge you to take additional action to level the playing field for U.S. steel mills, the workers they employ, and the communities in which they operate. We urge your Administration to expand the scope of the Section 232 steel tariff program to cover the two additional derivative steel products that have become prime targets of unscrupulous trading partners: prestressed concrete (PC) steel strand, a derivative steel product made from steel wire rod; and, fabricated structural steel (FSS), a derivative steel product made from steel beams, sections, and plate. Both downstream products are critical to our nation's physical infrastructure, including fortifying our roads, bridges, and buildings across the country.

In response to the Section 232 tariffs on steel products shipped to the United States, foreign producers have shifted their production downstream. These downstream products are evading the Section 232 tariffs and thus weakening the efficacy of our trade laws, ceding market share to foreign producers, and putting U.S. jobs at risk. These foreign actors, including China, are exploiting a loophole in Section 232 measures to the detriment of our domestic steel industry. Steel mills across the U.S., including Charter Steel, Liberty Steel, and Nucor Corporation, make the primary steel inputs for PC strand and FSS. Downstream domestic manufacturers take the raw material, turn it into PC strand and FSS, and then ship it to infrastructure and construction projects nationwide. However, because Section 232 does not cover derivative products, foreign manufacturers can export their PC strand and FSS straight into the U.S. tariff-free – undercutting our domestic steel supply chain with a foreign product subsidized by excess capacity at low-priced steel mills from China and elsewhere.

By expanding the scope of the Section 232 steel tariff program to cover these critical derivative products, your Administration can ensure a fair and competitive market for domestic PC strand and FSS industries. This action would lead to increased production capacity and the protection of jobs at the American steel mills that supply these industries.

To maintain the integrity of the Section 232 steel tariff program, we urge you to expand the scope of the Section 232 tariffs to include PC strand and FSS under the derivative products provision of the statute. This crucial step will help workers and companies across the domestic steel supply chain and support the world's cleanest and most carbon-efficient steel industry. Thank you for your attention to this matter.

Sincerely,

Tammy Baldwin United States Senator

Shurrod Brown

Sherrod Brown United States Senator

cc: The Honorable Gina Raimondo, Secretary of Commerce The Honorable Katherine Tai, U.S. Trade Ambassador