

INTRODUCTION OF THE TRADE
FAIRNESS ACT OF 1999**HON. RALPH REGULA**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 19, 1999

Mr. REGULA. Mr. Speaker, as you are aware, steel imports continues to pour into the United States at very low prices and are threatening steel worker jobs and the health of the U.S. steel industry.

As was acknowledged in the President's recent steel report, this is a severe crisis that has resulted in a 30 percent surge in steel imports during the first 10 months of 1998 and has resulted in the loss of 10,000 steel worker jobs.

Surprisingly, the President's steel report does not contain any significant measures that will provide immediate relief to the industry and protect steel worker jobs.

The report only rehashes discussions he and administration officials have had with offending country officials asking them to cut back on their steel exports to the U.S., and revises measures that have been taken to expedite recent trade cases.

The only new proposals in the President's report are \$300 million in tax relief for steel companies allowing them to carry back losses for 5 years, and a high level administration coordinator to assist communities once they have already suffered job losses.

Since the administration does not appear ready to take decisive and immediate action to solve the steel import crisis, it is up to the Congress to look at various options.

I am introducing today the Trade Fairness Act of 1999 which is but one option in trying to solve the steel import crisis. It may not be the most expeditious option, but the bill contains two provisions that would significantly improve current law to better respond to import surges.

The bill lowers the threshold for establishing injury in safeguard actions under section 201 of the 1974 Trade Act to bring the standard in line with World Trade Organization rules. Section 201 allows the President to provide appropriate relief, including duties and quotas, when an industry is injured by import surges. The injury standard in this type of action should not remain unjustifiably high, thereby precluding the use of section 201 to respond to import surges.

Second, the bill establishes a steel import permit and monitoring program, similar to programs in Canada and Mexico. This monitoring program will provide the Administration and industry with timely import data to determine more quickly if the marketplace is being disrupted by unfair imports.

This bill represents only one option. You will see other bills introduced in the near future responding to the steel import crisis, including a bill I am drafting to require the President to negotiate Voluntary Restraint Agreements with offending nations. This program was extremely effective in the 1980's in allowing the industry to restructure and become world competitive.

But, even the most competitive industry cannot compete against unfair imports. We must look for an effective solution to stop these unfair steel imports. Below is a more detailed explanation of the Trade Fairness Act of 1999.

EXPLANATION OF THE TRADE FAIRNESS ACT OF
1999

(INTRODUCED BY CONGRESSMAN RALPH REGULA)

The Emergency Steel Relief Act of 1999 is one option to enhance U.S. law to better respond to surges of foreign imports that injure U.S. industries and their workers. This legislation makes prospective changes in U.S. trade laws to bring these laws in line with World Trade Organization (WTO) rules and establishes an import monitoring program for steel.

The Trade Fairness Act of 1999 consists of the following two sections: first, the legislation lowers the threshold for establishing injury in safeguard actions under Section 201 of the 1974 Trade Act; and second, it establishes an import monitoring program to monitor the amount of foreign steel coming into the U.S. on a more timely basis.

1. **Safeguard Actions:** The legislation amends Section 201 of the 1974 Trade Act, which allows the President to provide appropriate relief to a U.S. industry if the International Trade Commission (ITC) finds that the industry has been seriously injured and that injury has been substantially caused by imports.

Current law requires that imports are a substantial cause of injury to U.S. industry. Our WTO obligation requires only that imports be a cause of injury (i.e. it need not be a 'substantial' cause). The bill deletes the term 'substantial' from the causation standard.

Current law requires that imports are "not less than any other cause" of injury. This is an unnecessarily high standard. The bill clarifies that in order to gain relief there only needs to be a causal link between imports and the injury.

The bill also includes in U.S. law the factors to be considered by the ITC, as established by the WTO, to determine whether the U.S. industry has suffered serious injury. These factors include: the rate and amount of the increase in imports of the product concerned in absolute and relative terms; the share of the domestic market taken by increased imports; changes in the levels of sales; production; productivity; capacity utilization; profits and losses; and, employment.

2. **Steel Import Monitoring Program:** The bill establishes a steel import permit and monitoring program. In order to gain relief under U.S. trade laws, domestic industries must demonstrate that unfairly traded imports have caused injury. This requires complex factual and economic analysis of import data. Currently, such data has not been available on a timely basis. This data has become public several months after the imports have arrived in the U.S., thus allowing unfairly traded imports to cause significant damage in many cases before the data is available for even a preliminary analysis.

The steel import permit and monitoring system, which is modeled on similar systems currently in use in Canada and Mexico, would allow the U.S. government to receive and analyze critical import data in a more timely manner and allow industry to determine more quickly whether unfair imports are disrupting the market.

MIAMI BEACH REMEMBERS
COMMISSIONER ABE RISNICK**HON. ILEANA ROS-LEHTINEN**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 19, 1999

Ms. ROS-LEHTINEN. Mr. Speaker, a special tribute was held at the Holocaust Memo-

rial in Miami Beach in memory of former Miami Beach Commissioner Abe Resnick who passed away late last year after decades of great contributions to the South Florida community.

Commissioner Resnick's life exemplifies the achievement of the American dream through hard work, perseverance and dedication. Born in Lithuania in 1924, Commissioner Resnick was a survivor of the Holocaust after successfully escaping from a Nazi concentration camp in Lithuania. Not forgetting those who continue suffering under Nazi repression, he joined the Resistance and bravely fought to defeat the Nazi regime. Commissioner Resnick later left Europe with his family to settle in Cuba where years later he had to flee repression again, this time from the Communist regime of Fidel Castro.

Arriving in the United States, he soon began a prominent and successful career as a leading real estate developer in South Florida, while remaining an active participant of the Jewish and Cuban-American communities of South Florida. One of his achievements was the realization of the construction of a Holocaust Memorial in Miami Beach that will forever serve as a shrine to all those who perished in that tragic period of human history.

In 1985, Mr. Resnick was elected as commissioner of the city of Miami Beach and later also served as vice-mayor of the city where he continued his good works for the progress of our community.

South Florida will forever remember the positive and lasting contributions of Commissioner Abe Resnick.

TRIBUTE TO FORMER CALIFORNIA
STATE SENATOR QUENTIN L.
KOPP**HON. TOM LANTOS**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 19, 1999

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to one of the most remarkable legislators in the history of the great golden State of California—the Honorable Quentin L. Kopp.

An independent by political affiliation and by personal nature, Quentin Kopp is a San Francisco institution. His 27 years in public office began with his service as a member of the San Francisco Board of Supervisors. He has served on virtually every local government policy-making body in the Bay Area, in addition to his accomplished career as a practicing trial lawyer. Quentin's record includes a herculean effort to bring the 1985 Superbowl and the summer Olympic Games to our area. He continued his distinguished public service as a member of the California State Senate, where his prodigious 12-year tenure was only curtailed this past year by voter-mandated term limits.

A fiscal conservative, Quentin guards the public purse as zealously as he guards his own. He is a public reformer who has insisted upon open government, campaigns that fully disclose contributions, and the elimination of conflicts of interest. Furthermore, he possesses a vocabulary that dwarfs Noah Webster's and a rhetorical style that rival Daniel Webster's. He is rightly renowned for his ability to simultaneously please, baffle, inspire, and incite his loyal constituency.