

January 30, 2019

Dear Member of Congress:

The undersigned organizations represent a broad array of U.S. manufacturers, farmers, food producers, retailers and technology companies who have been badly damaged by the ongoing imposition of tariffs and quotas on imported steel and aluminum products. We are writing to urge your support for the Bicameral Congressional Trade Authority Act of 2019 (the BCTAA) which is being introduced today in both the Senate and the House on a bipartisan basis.

This legislation, which amends Section 232 of the Trade Expansion Act of 1962 to ensure Congressional oversight of national security trade actions, is critically needed in order to ensure a proper weighing of the overall national interest before tariffs or quotas go into effect. It is clear that these overall interests were not properly weighed in the case of steel and aluminum and there are proposals for future use in the autos sector that make this need for a balanced weighing of interests even more apparent.

The sweeping use of Section 232 tariffs and quotas on steel and aluminum imports have caused significant harm to American manufacturers, agricultural producers, consumers and workers. They have raised costs and increased uncertainty for a wide array of industries, endangering the jobs of millions of workers. They have subjected U.S. producers, most notably in the agricultural sector, to retaliatory measures from our trading partners, thereby harming our competitive position in some of our most successful export sectors. This use of a national security justification to grant sweeping protection for a few favored industries is also a bad example for the world, one that is likely to induce our trading partners to single out our most competitive export sectors for similar treatment.

It is now essential for Congress to reassert its Constitutional role in weighing whether trade actions related to national security are justified. The BCTAA would accomplish this much needed rebalancing by codifying the following reforms to Section 232:

- Any future potential tariffs that the President seeks to introduce pursuant to a Section 232 investigation would be submitted to Congress, which would then have 60 days to pass an approval resolution supporting the proposed action. Such an approval resolution would be subject to certain fast-track procedures that would assure speedy consideration of the merits of the resolution by both houses.
- The bill clarifies the term “national security” in a way that limits Section 232 investigations to goods with applications in military equipment, energy resources, and critical infrastructure needs. Lead investigative authority would be transferred to the Department of Defense, with the Department of Commerce retaining a role in fashioning the appropriate remedy in the event of a positive investigative finding.
- Recognizing the importance of a robust exclusion process for Section 232 actions, the bill provides that this process will be administered by the U.S. International Trade Commission, an agency which has extensive expertise in managing complex

administrative procedures, and that all exclusions would be granted on a product-wide and not company-specific basis.

- The bill would allow Congress to reconsider Executive Branch tariffs and quotas which have been imposed under Section 232 within the last four years. Congress would be allowed to consider these actions and, if Congress determined not to pass an approval resolution within 75 days after enactment of the BCTAA, those tariffs and quotas would be repealed.

We applaud Senators Toomey (R-PA) and Warner (D-VA) and Representatives Gallagher (R-WI) and Kind (D-WI) for their bipartisan leadership in introducing this important legislation. We strongly urge all Members of Congress to cosponsor the Bicameral Congressional Trade Authority Act of 2019 and work towards its swift enactment.

Sincerely,

American Apparel & Footwear Association
American Beverage Association
American Chemistry Council
American Exploration & Production Council
American International Automobile Dealers Association
Associated Equipment Distributors
Association for Print Technologies
Association of Equipment Manufacturers
Association of Global Automakers
Auto Care Association
Beer Institute
Can Manufacturers Institute
Coalition of American Metal Manufacturers and Users
Farmers for Free Trade
Flexible Packaging Association
Grocery Manufacturers Association
Here for America
Industrial Fasteners Institute
LNG Allies
Midwest Food Products Association
Motor and Equipment Manufacturers Association
National Foreign Trade Council
National Retail Federation
National Tooling and Machining Association
North American Die Casting Association
Pet Food Institute
Precision Machined Products Association
Precision Metalforming Association
Printing Industries of America
Specialty Equipment Market Association