

# United States Senate

WASHINGTON, DC 20510

November 20, 2023

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

Dear President Biden:

As your Administration concludes the interagency review on Section 301 tariffs, we write to share our serious concerns about reductions in the tariffs that will enable China and other global competitors to resume their anti-competitive activities without consequences. While not the subject of interagency review, we share similar concerns about reductions in Section 232 tariffs, as well as related actions that would undermine American steel and aluminum producers as a result of negotiations with the European Union (EU) on the Global Arrangement on Sustainable Steel and Aluminum.

These tariffs are essential to level the playing field for American workers to compete and counter unfair trade practices by China, which seeks to circumvent our trade laws, steal American technology, and cheat and bully its way to global economic dominance. We urge the Administration to maintain the Section 301 and Section 232 tariff regimes as we continue our work with partners and allies to forge a sustainable approach to trade policy that supports American workers and fair global economic competitiveness.

In 2018, following an investigation by the United States Trade Representative (USTR), Section 301 tariffs were imposed on goods imported from China in response to its policies and practices regarding technology transfer, intellectual property, and innovation. The investigation concluded that the Chinese government's trade policies were unreasonable, discriminatory, and created trade barriers for United States commerce. Section 232 tariffs on steel and aluminum were also imposed in 2018 following an investigation by the U.S. Department of Commerce on national security grounds. A 2022 report from USTR on China's compliance with the World Trade Organization only underscores that the underlying economic reasons and market conditions for why the tariffs were imposed have not changed.

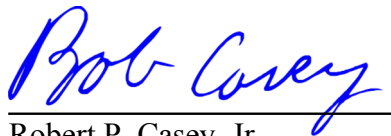
According to a March 2023 report from the United States International Trade Commission (USITC), Section 301 and 232 tariffs led to significant increases in domestic production in the tariffed industries that were analyzed. In addition, according to the American Iron and Steel Institute, the imposition of Section 232 tariffs incentivized new capital spending by domestic steel makers, with announced investments of nearly \$22 billion in new, expanded, or restarted production since March 2018.

The U.S.–EU Global Arrangement aims to combat global steel and aluminum overcapacity and to address carbon intensity of steel production. These are critically important objectives. However, as the Global Arrangement or an interim measure is negotiated, we urge your Administration to commit to maintaining or enhancing the Section 232 measures and to refrain from granting demands by the EU that would in any way weaken the existing tariff-rate quota.

The United States should be taking control of its future by investing in American workers and communities, revitalizing domestic manufacturing and industry, and combatting the growing threat posed by China and other nonmarket economies. The Chinese government has undermined U.S. industrial markets by expanding subsidies for steel, aluminum, semiconductors, solar panels, transportation, and other critical infrastructure. From forced labor to currency manipulation and dumping and circumvention, the Chinese government does not play by global rules-based order. The U.S. should consider the Chinese government’s long-standing practice of using economic coercion and supply chain retaliation as a geopolitical weapon when taking action that could undermine efforts to shore up our domestic manufacturing and supply chains.

Thank you for your attention to this important matter. We look forward to working with you to protect workers and communities, revitalize domestic manufacturing and industry, safeguard our national and economic security, and confront the threats posed by the Chinese government and other nonmarket economies.

Sincerely,



Robert P. Casey, Jr.  
United States Senator



Sherrod Brown  
United States Senator

CC: The Honorable Janet Yellen, Secretary, Department of the Treasury  
CC: The Honorable Antony Blinken, Secretary, Department of State  
CC: The Honorable Gina Raimondo, Secretary, Department of Commerce  
CC: The Honorable Ambassador Katherine Tai, United States Trade Representative