

**RESOLUTION URGING FEDERAL ACTION ON STEEL IMPORTS**

1999 GENERAL SESSION

STATE OF UTAH

**Sponsor: Ed P. Mayne**

A RESOLUTION OF THE SENATE URGING THE PRESIDENT AND THE FEDERAL GOVERNMENT TO TAKE ALL NECESSARY AND APPROPRIATE ACTION TO RESPOND TO THE SURGE OF STEEL IMPORTS RESULTING FROM THE FINANCIAL CRISES IN ASIA, RUSSIA, AND OTHER REGIONS.

*Be it resolved by the Senate of the state of Utah:*

WHEREAS, metal manufacturing has played a significant economic role among Utah's industries;

WHEREAS, the current financial crises in Asia, Russia, and other regions have involved massive depreciation in the currencies of several key steel-producing and steel-consuming countries along with a collapse in the domestic demand for steel in those countries;

WHEREAS, the crises have generated, and will continue to generate, surges in United States imports of steel, both from the countries whose currencies have depreciated in the crisis and from steel-producing countries that are no longer able to export steel to the countries in economic crisis;

WHEREAS, United States imports of finished steel mill products from Asian steel-producing countries, such as the People's Republic of China, Japan, Korea, India, Taiwan, Indonesia, Thailand, and Malaysia increased by 79% in the first five months of 1998 compared to the same period in 1997;

WHEREAS, imports of steel from Russia during 1998 exceeded the record import levels of 1997;

WHEREAS, foreign government trade restrictions and private restraints of trade distort international trade and investment patterns and result in burdens on United States commerce, including absorption of a disproportionate share of diverted steel trade;

WHEREAS, in 1997 the European Union, despite also being a major economy, imported only one-tenth as much finished steel products from Asian steel-producing countries as the United States did and has restricted imports of steel from the Commonwealth of Independent States,

including Russia;

WHEREAS, the United States is simultaneously facing a substantial increase in steel imports from countries within the Commonwealth of Independent States, including Russia, caused in part by the closure of Asian markets;

WHEREAS, the United States, through the International Monetary Fund, generously participates in a bailout of the crisis countries on terms that do not deter and in fact encourage them to export their way out of the crisis;

WHEREAS, there is a well-recognized need for improvements in the enforcement of United States trade laws to provide an effective response to the situation; and

WHEREAS, talks between the President, the administration, and the steel industry are currently underway to resolve the steel import crisis:

NOW, THEREFORE, BE IT RESOLVED that the Senate of the state of Utah urge the President of the United States and the federal government to take all necessary and appropriate action

to (1) increase enhancement of United States trade laws to respond to the surge of steel imports into the United States, using all remedies available under those laws, including offsetting duties and quantitative restraints; (2) obtain a more equitable sharing of the burden of accepting imports of finished steel products from Asia and the countries within the Commonwealth of Independent States; (3) report to the United States Congress by April 1, 1999, with a comprehensive plan for responding to the import surge, including ways to eliminate its deleterious effects on employment, prices, and investment in the United States steel industry; and (4) establish a task force responsible for closely monitoring United States imports of steel.

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the President of the United States, the Department of Commerce, the United States Trade representative, and the members of Utah's congressional delegation.