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Thomas J. Gibson
President and Chief Executive Officer

October 3, 2011

The Honorable Sherrod Brown
United States Senate
713 Hart Senate Office Building
Washington, DC 20510

Dear Senator Brown:

On behalf of the American Iron and Steel Institute, whose member companies produce 80% of the steel made in the United States, I am writing to share our strong support for S. 1619, the Currency Exchange Rate Oversight Reform Act of 2011, and to thank you for your leadership and commitment to addressing the unfair trade practice of currency manipulation.

As you know, the American steel industry has been a staunch advocate for Congressional action on legislation that will address the unfair export subsidy provided by foreign governments that manipulate their currency. Currency undervaluation is a market-distorting practice that has led to the loss of millions of American manufacturing jobs and has contributed in part to the United States' massive, unsustainable trade deficit. Given the current state of the U.S. economy, Congress must send a strong message that we will no longer tolerate such unfair trade practices that essentially export unemployment to the United States.

We commend you and your colleagues for recognizing this need for legislative action by introducing S. 1619, which provides a very targeted approach to address this issue. The bill does not place across the board tariffs on imports, but rather gives U.S. companies and workers a mechanism to fight back when U.S. jobs are being lost because of this unfair trade practice. In particular, the bill provides U.S. producers the ability to use the existing countervailing duty (CVD) law to obtain a WTO-consistent remedy for injury caused by goods benefiting from a currency manipulation export subsidy. The bill retains the Commerce Department's authority to consider allegations of currency subsidization on a case-by-case, product-by-product basis and requires that the domestic industry is being harmed by the alleged subsidy.

The Honorable Sherrod Brown
October 3, 2011
Page Two

This is the same measured approach that passed the House (H.R. 2378) by an overwhelming bipartisan vote of 348-79 last year. As noted during the House consideration of H.R. 2378 in the last Congress, because this legislation is on its face WTO consistent, it would not give China any basis to retaliate against U.S. companies and their workers.

Again, we offer our strong support for passage of the Currency Exchange Rate Oversight Act of 2011. We are pleased the Senate is acting to address this unfair trade practice and we hope the House will swiftly follow suit.

Sincerely,

Handwritten signature of Thomas J. Gibson in black ink.

Thomas J. Gibson

cc: Sen. Charles Schumer
Sen. Olympia Snowe
Sen. Lindsey Graham
Sen. Debbie Stabenow
Sen. Jeff Sessions
Sen. Robert Casey
Sen. Richard Burr
Sen. Richard Blumenthal
Sen. Benjamin Cardin
Sen. Susan Collins
Sen. Kent Conrad
Sen. Kirsten Gillibrand
Sen. Kay Hagan
Sen. Carl Levin
Sen. Joe Manchin
Sen. Robert Menendez
Sen. Benjamin Nelson
Sen. Jack Reed
Sen. Sheldon Whitehouse