

Congress of the United States
Washington, DC 20515

September 23, 2015

The Honorable Barack Obama
The White House
1600 Pennsylvania Ave NW
Washington, D.C. 20500

Dear Mr. President,

We write today as members of the Congressional Steel Caucus to request that you address long-standing issues of great importance to the American steel industry during Chinese President Xi's upcoming visit.

Since 2000, Chinese steel production has increased by 695 million metric tons, which is nearly eight times the total amount of steel produced in the United States. China currently produces as much steel as the rest of the world combined. Through the first seven months of 2015, China has exported 67 million metric tons of steel, which is a 27 percent increase over 2014 figures. Much of this Chinese steel arrives on American shores, and is sold artificially low at approximately 25 percent less than the steel that is produced domestically.

We know that America makes the best steel in the world, but we cannot compete against China when they do not play by the same market rules. We request that you specifically address the issues below with President Xi.

Illegal Subsidies – At the heart of the growth in Chinese steel production are illegal government subsidies. During U.S. trade case proceedings, the Department of Commerce has specifically identified illegal Chinese subsidies, including preferential lending through state-owned commercial or policy banks, assistance providing electricity, inputs, and land, and the direct transfer of government funds to Chinese steel producers.

Currency Manipulation - China continues to manipulate its currency in order to give their steel producers an unfair advantage in the U.S. market. Despite recent announcements, China's currency is not freely tradable and the government still controls its value. Unless China addresses this issue or the U.S. establishes currency manipulation as a countervailable duty, China's currency practices will continue to devastate American steel.

State-Owned Enterprises – It is estimated that 95 percent of steel produced by the top 20 Chinese steel groups is from state-owned enterprises. These producers operate under

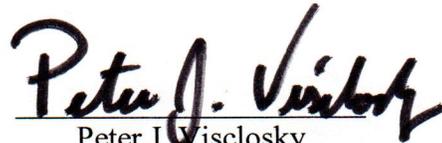
bureaucratic policies and not market principles. The Chinese government also has established a policy objective of “more effectively bringing about the role of government and guiding the next ten years of the steel industry’s development.”

American steelworkers are under attack every day from cheap Chinese imports. It is past time that we take action. We thank you for the opportunity to express our concerns and appreciate your consideration of addressing these critical issues with President Xi.

Sincerely,



Tim Murphy
Chairman
Congressional Steel Caucus



Peter J. Visclosky
Vice-Chairman
Congressional Steel Caucus



Mike Bost
Member of Congress



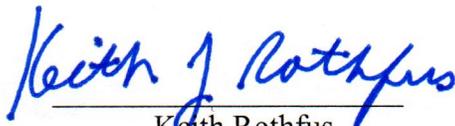
David B. McKinley
Member of Congress



Walter B. Jones
Member of Congress



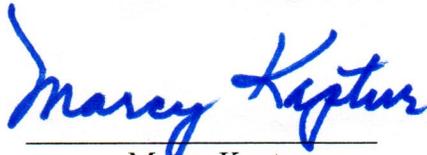
Mo Brooks
Member of Congress



Keith Rothfus
Member of Congress



Paul A. Gosar
Member of Congress



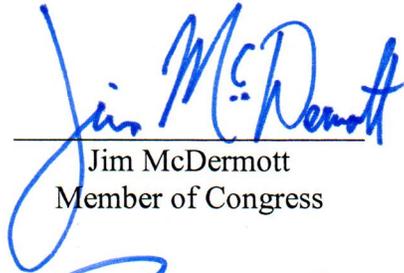
Marcy Kaptur
Member of Congress



Rob Bishop
Member of Congress



Brian Higgins
Member of Congress



Jim McDermott
Member of Congress



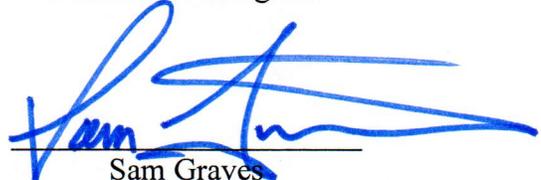
Gregg Harper
Member of Congress



Richard M. Nolan
Member of Congress



Tim Ryan
Member of Congress



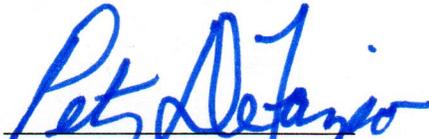
Sam Graves
Member of Congress



Betty McCollum
Member of Congress



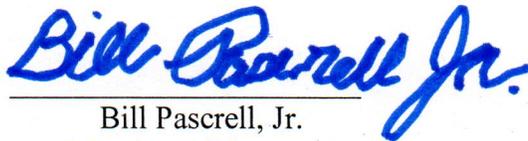
John Shimkus
Member of Congress



Peter DeFazio
Member of Congress



Debbie Dingell
Member of Congress



Bill Pascrell, Jr.
Member of Congress



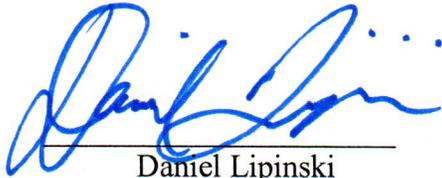
André Carson
Member of Congress



Rick Crawford
Member of Congress



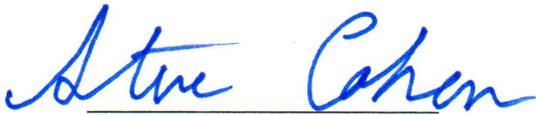
Bob Gibbs
Member of Congress



Daniel Lipinski
Member of Congress



Gene Green
Member of Congress



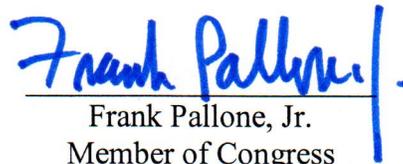
Steve Cohen
Member of Congress



Robert B. Aderholt
Member of Congress



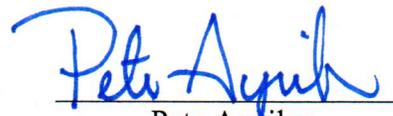
Bradley Byrne
Member of Congress



Frank Pallone, Jr.
Member of Congress



John Garamendi
Member of Congress



Pete Aguilar
Member of Congress



Chris Gibson
Member of Congress



Bill Johnson
Member of Congress



Mike Doyle
Member of Congress



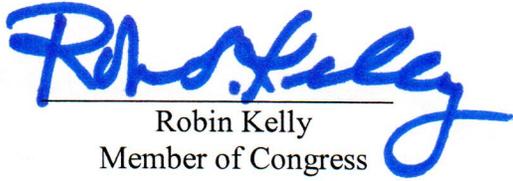
Richard Hudson
Member of Congress

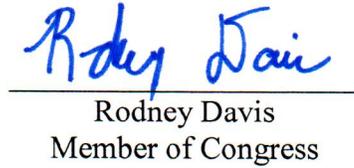


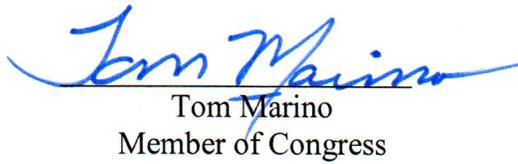
Terri A. Sewell
Member of Congress

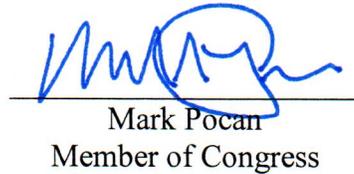


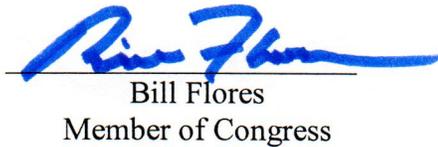
John Conyers, Jr.
Member of Congress

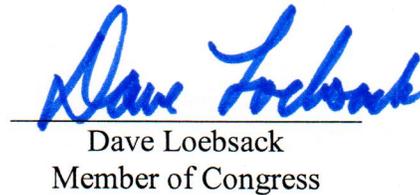

Robin Kelly
Member of Congress


Rodney Davis
Member of Congress

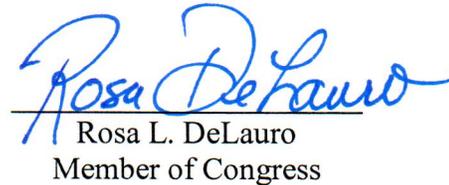

Tom Marino
Member of Congress

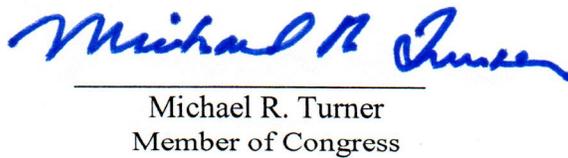

Mark Pocan
Member of Congress

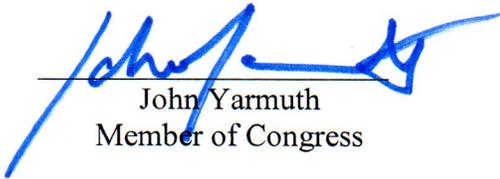

Bill Flores
Member of Congress


Dave Loebsack
Member of Congress

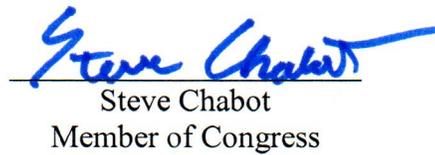

David P. Joyce
Member of Congress


Rosa L. DeLauro
Member of Congress


Michael R. Turner
Member of Congress



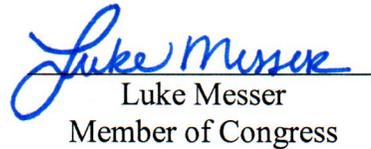
John Yarmuth
Member of Congress



Steve Chabot
Member of Congress



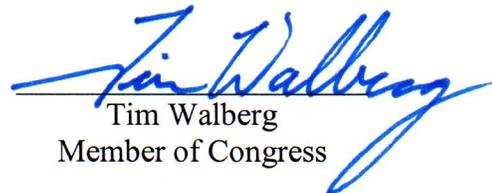
Tom Rice
Member of Congress



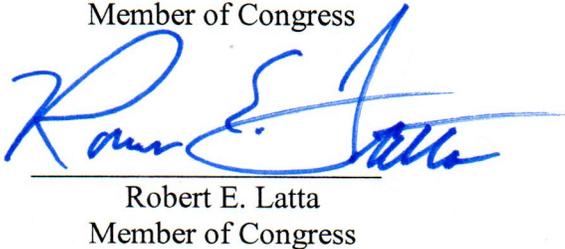
Luke Messer
Member of Congress



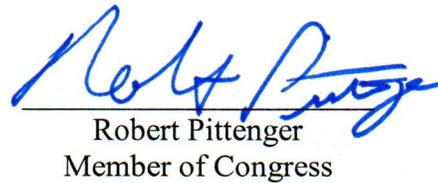
Lou Barletta
Member of Congress



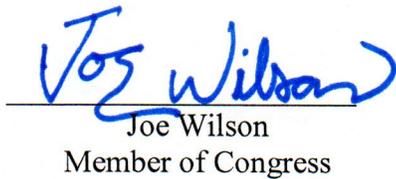
Tim Walberg
Member of Congress



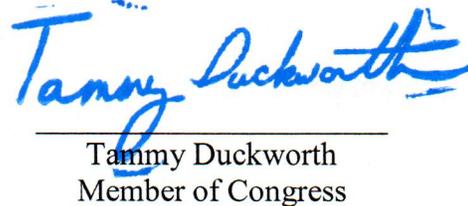
Robert E. Latta
Member of Congress



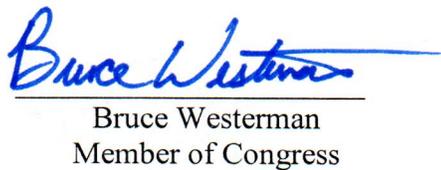
Robert Pittenger
Member of Congress



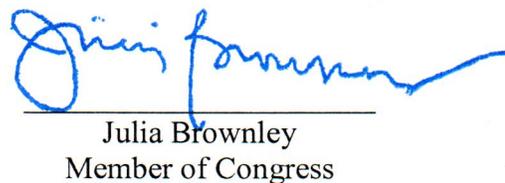
Joe Wilson
Member of Congress



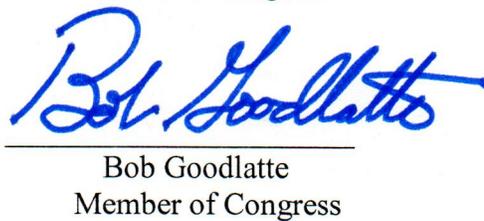
Tammy Duckworth
Member of Congress



Bruce Westerman
Member of Congress



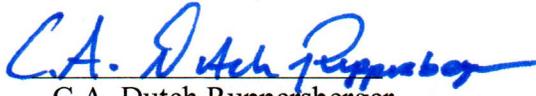
Julia Brownley
Member of Congress



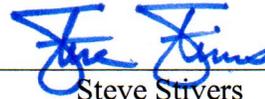
Bob Goodlatte
Member of Congress



Mike Fitzpatrick
Member of Congress



C.A. Dutch Ruppberger
Member of Congress



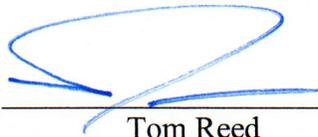
Steve Stivers
Member of Congress



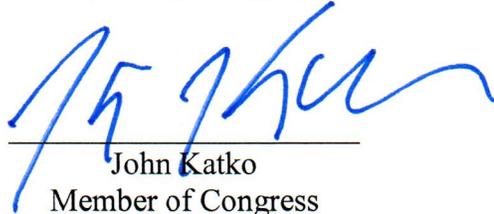
Jackie Walorski
Member of Congress



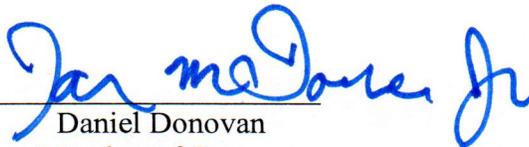
Donald M. Payne, Jr.
Member of Congress



Tom Reed
Member of Congress



John Katko
Member of Congress



Daniel Donovan
Member of Congress



Dan Benishek, M.D.
Member of Congress