

AMERICAN WIRE PRODUCERS ASSOCIATION (AWPA)

FALL 2024 PUBLIC POLICY PRIORITIES

ABOUT AWPA

The AWPA is an international trade association representing between 80 and 90% of the production of carbon, alloy, and stainless steel wire and wire products in the United States. The 83 member companies of the Association employ more than 22,000 workers in over 250 plants and facilities located in 35 states in 138 Congressional Districts, and 4 Canadian provinces and Mexico, generating over \$9.1 billion in annual sales. Wire and wire products are found everywhere you look, from the springs in our mattresses to the fencing on our farms and from the elevators we ride to the highways we drive.

TRADE CRIMES LEGISLATION

AWPA supports the recently-introduced bipartisan, bicameral *Protecting American Industry and Labor from International Trade Crimes Act* (H.R. 9151 / S. 4955). The legislation directs the U.S. Department of Justice (DOJ) to establish a new task force dedicated to investigating and prosecuting international trade crimes, including customs fraud, duty evasion, and transshipment, and authorizes \$20 million for these efforts in FY2025. The bill also requires an annual report to Congress on DOJ's work in this space, including statistics on trade related crimes, and would provide "training and technical assistance to other federal, state, and local law enforcement agencies, expanding investigations and prosecutions, and allowing for parallel criminal and civil enforcement actions."

As foreign competitors continue to exploit our trade laws and undermine our companies and workers, we welcome additional resources to identify trade fraud and hold bad actors accountable.

Triggered by information from the investigations of duty evasion with respect to imported steel wire garment hangers pursuant to the Enforce and Protect Act (EAPA), the DOJ has filed a civil complaint in U.S. Federal Court against an individual and his corporate creations for unpaid dumping duties and penalties. The DOJ has also initiated a criminal investigation of the same individual. Given the pervasive duty evasion, fraud, and transshipment of garment hangers and other steel products, it is essential for the DOJ to have the resources to track down and stop this illicit behavior on the part of foreign exporters and their complicit U.S. importers.

AWPA Ask: Please consider cosponsoring the *Protecting American Industry and Labor from International Trade Crimes Act* if you have not already done so.

TRADE ENFORCEMENT LEGISLATION

AWPA supports the following bipartisan trade law strengthening measures designed to address tactics by adversarial trading partners, such as China, that continue to evade our trade laws:

The *Leveling the Playing Field Act 2.0* (S. 1856 / H.R. 3882) would update U.S. trade laws to ensure that domestic industries are able to pursue and rely on remedies to address new and evolving unfair trade practices such as cross-border subsidies (e.g., China’s “Belt and Road”) and “country hopping” to evade application of antidumping and countervailing duty (AD/CVD) orders.

The *Fighting Trade Cheats Act* (S. 805 / H.R. 2667) would give Customs and Border Protection (CBP) more tools to combat and deter customs fraud. Specifically, the bill enhances monetary penalties for fraudulent and grossly negligent violations; temporarily suspends imports by bad actors and their affiliates; and adopts new enforcement tools that unlock private resources in addition to those used by CBP.

AWPA Ask: Please consider cosponsoring the *Fighting Trade Cheats Act* and the *Leveling the Playing Field Act 2.0* if you have not already done so.

STEEL IMPORT MONITORING AND ANALYSIS (SIMA) SYSTEM

Through its SIMA system, the Department of Commerce collects and publishes “early warning” steel import data, allowing the domestic industry to monitor trade trends in near real time. The SIMA program was established in 2005 and its product scope was expanded in 2020 to mirror that of the Section 232 steel tariff program. AWPA is seeking to (1) expand SIMA tracking to cover downstream steel products such as nails, threaded rod, garment hangers, wire mesh, and PC strand; and (2) for those products currently covered by the SIMA system, ensure the data is accurate. Each of the above-mentioned wire products is clearly defined, easily identified, and has a product-specific HTSUS code for ease of reporting and tracking. Moreover, each of these products is covered by antidumping and/or countervailing duty (AD/CVD) orders from China and other countries.

Expanding SIMA to downstream wire products would provide more timely data to help domestic companies and other stakeholders better monitor import trends. Particularly as countries seeking to evade our trade laws move “downstream” in the steel supply chain, access to this monitoring tool is necessary. SIMA expansion would be particularly useful now that the system requires data on the original country of melt and pour for covered steel imports. This melt and pour data would help identify potential transshipment and circumvention of the U.S. AD/CVD orders that protect our industry and workers from unfair trade; Section 232 duties and quotas; and Section 301 tariffs on imports from China.

Additionally, AWPA is concerned about the accuracy of SIMA data. For example, in some instances, SIMA shows countries of melt and pour with no melt capacity. Ensuring the accuracy of all SIMA data will help the domestic industry monitor and understand important trade trends.

AWPA Ask: AWPA is increasing its engagement with the Commerce Department to ensure the accuracy of SIMA data and the utility of the SIMA system for downstream products. In the future, we may need Congressional outreach to Commerce to further these efforts.

WIRE AND WIRE PRODUCTS CAUCUS

Congressman Sam Graves (R-MO) has re-constituted the bipartisan Wire and Wire Products Caucus for the 118th Congress. AWPA encourages all House offices to consider joining the Caucus, which

educates Congress, the Executive Branch, and the broader policy community on the important contributions of domestic wire and wire products manufacturing to our nation's economic and national security.

Current Members: Reps. Graves (R-MO), Aderholt (R-AL), Davids (D-KS), Fleischmann (R-TN), Latta (R-OH), Mrvan (D-IN), Sorensen (D-IL), Wilson (R-SC).

AWPA Ask: Please consider joining the bipartisan House Wire and Wire Products Caucus if you have not already done so.

MEMBER FACILITY TOURS

Member tours are a great way to build relationships with your elected representatives. As the November elections approach, Members of the Senate and House will be spending more time meeting with constituents in their states and districts. AWPA members have had particular success with tours in recent months, with visits from Reps. Womack (R-AR) and Perry (R-PA). In the event that a Member is unable to tour your facility, staff visits are also effective, and can forge relationships with subject matter experts in Congressional offices. AWPA has resources to assist in planning a successful visit, including a helpful "Tips for Tours" document.

AWPA Ask: *(To Members and staff)* Please consider visiting our facility, touring our operations, and meeting with our teams.