

107TH CONGRESS
1ST SESSION

H. R. 851

To amend the Emergency Steel Loan Guarantee Act of 1999 to prohibit steel companies receiving loan guarantees from investing the loan proceeds in foreign steel companies and using the loan proceeds to import steel products from foreign countries that are subject to certain trade remedies.

IN THE HOUSE OF REPRESENTATIVES

MARCH 1, 2001

Mr. STUPAK introduced the following bill; which was referred to the
Committee on Financial Services

A BILL

To amend the Emergency Steel Loan Guarantee Act of 1999 to prohibit steel companies receiving loan guarantees from investing the loan proceeds in foreign steel companies and using the loan proceeds to import steel products from foreign countries that are subject to certain trade remedies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. CONDITIONS ON LOAN GUARANTEES ISSUED**
2 **TO STEEL COMPANIES.**

3 Section 101(h) of the Emergency Steel Loan Guar-
4 antee Act of 1999 (Public Law 106-51) is amended by
5 adding at the end the following:

6 “(5) CERTAIN ACTIVITIES PROHIBITED.—

7 “(A) PROHIBITED ACTIVITIES.—Any quali-
8 fied steel company to which a loan guarantee is
9 issued under this section may not, during the
10 period the guarantee is in effect—

11 “(i) contribute any of the proceeds of
12 the loan that is guaranteed to any facility
13 located outside the United States that is
14 engaged in the production or manufacture
15 of any product described in subsection
16 (c)(3)(B) of this section; or

17 “(ii) use any of the proceeds of the
18 loan that is guaranteed to import ingots,
19 slabs, or billets produced in any country if
20 that country is subject to trade remedies
21 with respect to any product described in
22 subsection (c)(3)(B) of this section.

23 “(B) PENALTIES FOR VIOLATIONS.—(i)
24 The Board shall terminate any guarantee
25 issued under this section to a qualified steel
26 company that violates the provisions of sub-

1 paragraph (A), and shall assess a civil penalty
2 of not more than \$100,000 for each violation.

3 “(ii) Any civil penalty under clause (i) may
4 be imposed only after notice and opportunity
5 for a hearing on the record in accordance with
6 sections 554 and 557 of title 5, United States
7 Code.

8 “(C) DEFINITIONS.—In this paragraph—

9 “(i) a country is subject to trade rem-
10 edies with respect to any product described
11 in subsection (c)(3)(B) of this section if—

12 “(I) a countervailing duty order
13 or an antidumping order under title
14 VII of the Tariff Act of 1930 (19
15 U.S.C. 1671 et seq.), or a finding
16 under the Antidumping Act, 1921, is
17 in effect on imports of any product
18 described in subsection (c)(3)(B) of
19 this section that is a product of that
20 country;

21 “(II) the administering authority
22 or the International Trade Commis-
23 sion is conducting an investigation or
24 making a determination under subtitle
25 A, B, or C of title VII of the Tariff

1 Act of 1930 with respect to any prod-
2 uct described in subsection (c)(3)(B)
3 of this section that is a product of
4 that country;

5 “(III) action taken by the Presi-
6 dent under chapter 1 of title II of the
7 Trade Act of 1974 (19 U.S.C. 2251
8 et seq.), under section 406 of that Act
9 (19 U.S.C. 2436), under chapter 2 of
10 title IV of that Act (19 U.S.C. 2451
11 et seq.), or under part 1 of subtitle A
12 of title III of the North American
13 Free Trade Agreement Implementa-
14 tion Act (19 U.S.C. 3351 et seq.), is
15 in effect with respect to imports of
16 any product described in subsection
17 (c)(3)(B) of this section that is a
18 product of that country;

19 “(IV) a proceeding is pending
20 under chapter 1 of title II of the
21 Trade Act of 1974 (19 U.S.C. 2251
22 et seq.), under section 406 of that Act
23 (19 U.S.C. 2436), under chapter 2 of
24 title IV of that Act (19 U.S.C. 2451
25 et seq.), or under part 1 of subtitle A

1 of title III of the North American
2 Free Trade Agreement Implementa-
3 tion Act (19 U.S.C. 3351 et seq.),
4 pursuant to a determination by the
5 International Trade Commission of
6 substantial injury that was made pur-
7 suant to the filing of a petition under
8 section 202(a), 406(a)(1), 421(b), or
9 422(b) of the Trade Act of 1974, or
10 302(a) of the North American Free
11 Trade Agreement Implementation
12 Act, with respect to any product de-
13 scribed in subsection (c)(3)(B) of this
14 section that is a product of that coun-
15 try; or

16 “(V) a proceeding is pending
17 under chapter 1 of title II of the
18 Trade Act of 1974, under section 406
19 of that Act (19 U.S.C. 2436), or
20 under chapter 2 of title IV of that
21 Act, other than pursuant to a petition,
22 with respect to any product described
23 in subsection (c)(3)(B) of this section
24 that is a product of that country; and

1 “(ii) the term ‘United States’ includes
2 any commonwealth, territory, or possession
3 of the United States.”.

4 **SEC. 2. EFFECTIVE DATE.**

5 The amendment made by section 1 applies to—

6 (1) any loan guarantee issued on or after the
7 date of the enactment of this Act; and

8 (2) any loan guarantee issued before such date
9 of enactment, but only to the extent of any proceeds
10 of the loan remaining on such date.

○