

National Security and Tariffs, it was noted that under the Defense Production Act, 50 U.S.C. §4533, “Congress provides the President with a broad set of authorities ..., including Title III, which authorizes the use of economic incentives to secure domestic industrial capabilities essential to meet national defense and homeland security needs. DOD has funded several Title III projects to increase domestic production of steel products,” including a \$56 million agreement in 2020 to boost steel plate production signed by the predecessor owner of a Cliffs’ facility.²⁷

The II&S Rule, if implemented, would both increase the cost of producing steel and the products derived therefrom. This would have a negative impact on multiple other industries and activities, harming the national security interests of the United States. Ensuring the strength and global competitiveness of this industry is of vital importance to the nation’s economy, security, and manufacturing prowess. Supporting this is the fact the industry provides more than **\$520 billion** in economic output, nearly **two million jobs**, more than **\$130 billion in wages and benefits** to employees, and **\$56 billion in federal, state and local taxes**. Cliffs alone employs approximately 27,000 people, most of whom are members of unions such as the United Steelworkers and the International Association of Machinists and Aerospace workers.

The American iron and steel industry is already among the most regulated and cleanest steel industries in the world. Rulemaking must take into consideration the necessary role that the domestic integrated iron and steel industry plays in our country. Members of Congress have already expressed their concern on this rulemaking. Eight current or former U.S. Senators (Senators Brown, Vance, Braun, Manchin, Casey, Klobuchar, Capito and Young) wrote a letter to EPA warning the Agency that its three proposed rules aimed at the steel industry – impacting taconite iron ore processing, coke manufacturing, and integrated iron and steelmaking – “would dramatically undermine the domestic steel industry and national security while driving production overseas”²⁸ Similarly, Congressmen Crawford and Mrvan, Chair and Vice-Chair of the Congressional Steel Caucus, respectively, wrote a letter to then EPA Administrator Regan, expressing their concerns over the proposed rulemakings targeting the steel industry, concluding that the rulemakings, including the II&S Rule, would threaten advancements already made by the industry into environmental initiatives while “pos[ing] a threat to the competitiveness of steel producers and tens of thousands of good-paying union jobs.”²⁹

The II&S Rule could further “diminish the ability of the American steel industry to meet the demands of our economy” which may lead to those demands being met by “foreign made and illegal subsidized steel entities that do not meet our current environmental, labor, and accountability standards.” These fears ring true, as the U.S. Department of Commerce has already found excessive quantities of imports displacing domestic steel – steel that is not produced as clean as in the United States. Such a result is counterintuitive to the purpose of the CAA and threatens the nation’s domestic steelmaking supply chain. The Congressmen conclude in their letter by “strongly

²⁷ Congressional Research Service Report, *U.S. Steel Manufacturing: National Security and Tariffs* (August 12, 2021), <https://www.congress.gov/cr-product/E11597>

²⁸ Letter from U.S. Senators Brown, Vance, Braun, Manchin, Casey, Klobuchar, Capito, and Young to Michael Regan, EPA Administrator (Dec. 6, 2023), pp. 1-2.

²⁹ Letter from Congressmen Crawford and Mrvan, Chair and Vice-Chair of the Congressional Steel Caucus, to Michael Regan, EPA Administrator (Dec. 18, 2023).