

107TH CONGRESS  
1ST SESSION

# H. R. 1006

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.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 13, 2001

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

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## 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 iron ore  
19 pellets, ingots, slabs, or billets produced in  
20 any country if that country is subject to  
21 trade remedies with respect to any product  
22 described in subsection (c)(3)(B) of this  
23 section.

24 “(B) PENALTIES FOR VIOLATIONS.—(i)  
25 The Board shall terminate any guarantee  
26 issued under this section to a qualified steel

1 company that violates the provisions of sub-  
2 paragraph (A), and shall assess a civil penalty  
3 of not more than \$100,000 for each violation.

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

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

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

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

22 “(II) the administering authority  
23 or the International Trade Commis-  
24 sion is conducting an investigation or  
25 making a determination under subtitle

1 A, B, or C of title VII of the Tariff  
2 Act of 1930 with respect to any prod-  
3 uct described in subsection (c)(3)(B)  
4 of this section that is a product of  
5 that country;

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

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

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

17 “(V) a proceeding is pending  
18 under chapter 1 of title II of the  
19 Trade Act of 1974, under section 406  
20 of that Act (19 U.S.C. 2436), or  
21 under chapter 2 of title IV of that  
22 Act, other than pursuant to a petition,  
23 with respect to any product described  
24 in subsection (c)(3)(B) of this section  
25 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.

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