

108TH CONGRESS
1ST SESSION

H. R. 3072

To prohibit the Overseas Private Investment Corporation from providing insurance or financing to countries that subsidize their steel industries and for projects producing goods subject to antidumping duties, to require the United States to oppose the provision by the International Monetary Fund of assistance to countries which subsidize their steel industries, and to ban assistance by the Export-Import Bank of the United States to countries that subsidize their steel industries.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 10, 2003

Mr. PAUL (for himself and Mr. SANDERS) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To prohibit the Overseas Private Investment Corporation from providing insurance or financing to countries that subsidize their steel industries and for projects producing goods subject to antidumping duties, to require the United States to oppose the provision by the International Monetary Fund of assistance to countries which subsidize their steel industries, and to ban assistance by the Export-Import Bank of the United States to countries that subsidize their steel industries.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Steel Financing Fair-
5 ness Act”.

6 **SEC. 2. PROHIBITION ON OPIC FINANCING AND INSURANCE**
7 **TO COUNTRIES THAT SUBSIDIZE THEIR**
8 **STEEL INDUSTRIES AND FOR PROJECTS PRO-**
9 **DUCING GOODS SUBJECT TO ANTIDUMPING**
10 **DUTIES.**

11 (a) SUBSIDIZATION.—

12 (1) PROHIBITION.—The Overseas Private In-
13 vestment Corporation may not issue any contract of
14 insurance or reinsurance or any guaranty, or enter
15 into any agreement to provide financing, in connec-
16 tion with a project in a country which provides a
17 subsidy to its steel industry, until 3 months after the
18 subsidy is eliminated.

19 (2) DEFINITION.—For purposes of paragraph
20 (1), a country provides a subsidy to its steel industry
21 if the government of that country provides financial
22 support directly or indirectly to any business concern
23 in that country that produces or manufactures any
24 steel product.

1 (b) ANTIDUMPING ORDERS.—The Overseas Private
 2 Investment Corporation may not issue any contract of in-
 3 surance or reinsurance or any guaranty, or enter into any
 4 agreement to provide financing, in connection with a
 5 project that would be engaged in the production or manu-
 6 facture outside the United States of any product on which
 7 antidumping duties are in effect under an antidumping
 8 duty order issued under subtitle B of title VII of the Tariff
 9 Act of 1930 or under a finding under the Antidumping
 10 Act, 1921, regardless of the country in which such product
 11 would be produced or manufactured.

12 **SEC. 3. UNITED STATES OPPOSITION TO IMF ASSISTANCE**
 13 **TO COUNTRIES THAT SUBSIDIZE THEIR**
 14 **STEEL INDUSTRIES.**

15 The Bretton Woods Agreements Act (22 U.S.C. 286–
 16 286oo) is amended by adding at the end the following:
 17 **“SEC. 64. OPPOSITION TO IMF ASSISTANCE TO COUNTRIES**
 18 **WHICH SUBSIDIZE THEIR STEEL INDUSTRIES.**

19 “(a) UNITED STATES POSITION.—

20 “(1) IN GENERAL.—The Secretary of the
 21 Treasury shall instruct the United States Executive
 22 Director at the Fund to use the voice, vote, and in-
 23 fluence of the United States to oppose the provision
 24 by the Fund of assistance in any form to any foreign
 25 country the government of which subsidizes the steel

1 industry of the foreign country, until 3 months after
2 the subsidy is eliminated.

3 “(2) SUBSIDIZE DEFINED.—In paragraph (1),
4 the term ‘subsidize’ means, with respect to the steel
5 industry of a foreign country, the provision of finan-
6 cial support directly or indirectly to any business
7 concern in the foreign country that produces or
8 manufactures any steel product.

9 “(b) REDUCTION OF UNITED STATES CONTRIBU-
10 TIONS.—

11 “(1) IN GENERAL.—If, during the 3-month pe-
12 riod referred to in subsection (a)(1), the Fund pro-
13 vides assistance in any form to a foreign country re-
14 ferred to in subsection (a)(1), the Secretary of the
15 Treasury shall reduce the amount otherwise author-
16 ized to be contributed by the United States to the
17 Fund in the first fiscal year that begins after the
18 provision of the assistance by a percentage equal
19 to—

20 “(A) the amount contributed by the United
21 States to the Fund in the fiscal year in which
22 the assistance is so provided, divided by the
23 total of the amounts contributed to the Fund
24 by all member countries in the fiscal year in

1 which the assistance is so provided; multiplied
2 by

3 “(B) the total amount of assistance pro-
4 vided by the Fund to the foreign country in the
5 fiscal year referred to in subparagraph (A), di-
6 vided by the total amount of assistance pro-
7 vided by the Fund to all countries in the fiscal
8 year referred to in subparagraph (A).

9 “(2) CONTINUATION OF REDUCTIONS IF NEC-
10 CESSARY TO RECOVER FULL AMOUNT OF OPPOSED
11 ASSISTANCE.—The Secretary shall continue to re-
12 duce the amount otherwise authorized to be contrib-
13 uted by the United States to the Fund for suc-
14 ceeding fiscal years until the total amount of the re-
15 ductions under paragraph (1) with respect to the
16 foreign country equals the amount of the assistance
17 referred to in paragraph (1) with respect to the for-
18 eign country.

19 “(c) NOTICE TO THE CONGRESS OF AMOUNT OF IM-
20 PENDING REDUCTION.—Within 60 legislative days after
21 the Fund, during the 3-month period referred to in sub-
22 section (a), provides assistance in any form to a foreign
23 country referred to in subsection (a), the Secretary of the
24 Treasury shall—

1 “(1) determine the amount by which the United
 2 States contribution to the Fund is required to be re-
 3 duced under subsection (b); and

4 “(2) notify the Committee on Financial Services
 5 of the House of Representatives and the Committee
 6 on Foreign Relations of the Senate of the amount of
 7 the required reduction.”.

8 **SEC. 4. BAN ON EXPORT-IMPORT BANK ASSISTANCE TO**
 9 **COUNTRIES THAT SUBSIDIZE THEIR STEEL**
 10 **INDUSTRIES.**

11 Section 2(b) of the Export-Import Bank Act of 1945
 12 (12 U.S.C. 635(b)) is amended by adding at the end the
 13 following:

14 “(13) BAN ON ASSISTANCE TO COUNTRIES THAT
 15 SUBSIDIZE THEIR STEEL INDUSTRIES.—

16 “(A) IN GENERAL.—The Bank may not guar-
 17 antee, insure, or extend (or participate in the exten-
 18 sion of) credit in connection with the export of any
 19 good or service to any foreign country the govern-
 20 ment of which subsidizes the steel industry of the
 21 country, until 3 months after the subsidy is elimi-
 22 nated.

23 “(B) SUBSIDIZE DEFINED.—In subparagraph
 24 (A), the term ‘subsidize’ means, with respect to the
 25 steel industry of a country, the provision of financial

- 1 support directly or indirectly to any business concern
- 2 in the country that produces or manufactures any
- 3 steel product.”.

