member of the Committee on the Judiciary:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON NATIONAL SECURITY,
*Washington, DC, February 25, 1999.*

Hon. DENNIS J. HASTERT,
*Speaker, House of Representatives,*
*Washington, DC.*

DEAR MR. SPEAKER: I hereby request a rescission of my waiver to serve on three standing committees of the House and submit my withdrawal from the Judiciary Committee effective immediately.

Sincerely,

STEVE BUYER,
*Member of Congress.*

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

## WE NEED AN EFFECTIVE, GLOBAL SOLUTION TO ADDRESS THE STEEL CRISIS

(Mr. QUINN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. QUINN. Mr. Speaker, I rise today as chairman of the Executive Committee of the Congressional Steel Caucus to ask the House to direct our attention at the ongoing steel crisis in the United States. Because the U.S. remains the world's steel dumping ground, we need an effective global solution now to address the serious injury being done to America's steel companies, our employees, and our communities.

Unfortunately, the administration's recent announcements of tentative steel agreements with Russia go in exactly the opposite direction of what is required. These agreements deny the petitioners the relief they are entitled to under law, and U.S. steel companies and employees strongly oppose the agreements.

I agree with what the petitioners said in their February 22nd statement, that the way to help Russia is not by sacrificing the jobs and property of private sector industries and our modern world-class steel industry.

Mr. Speaker, I include for the RECORD American Iron and Steel's February 19th Import Release, and the February 22nd reaction.

The material referred to is as follows:

[News Release]

1998 STEEL IMPORTS OF 41.5 MILLION TONS HIGHEST EVER—ANNUAL TOTAL EXCEEDS 1997 RECORD BY ONE-THIRD 4TH QUARTER IMPORTS UP 55 PERCENT FROM SAME PERIOD LAST YEAR

WASHINGTON, D.C.—In 1998, the United States had the highest import tonnage ever, 41,519,000 net tons of steel mill products, up 33.3 percent from the previous record of 31,156,000 net tons imported in 1997, the American Iron and Steel Institute (AISI) reported today, based on a compilation of U.S. Department of Commerce data. The 1998 import tonnage was 77 percent higher than the annual average for imports over the previous eight years. Total imports in 1998 accounted for 30 percent of apparent consumption, up from 24 percent in the same period of 1997. Fourth quarter imports in 1998, at 11,002,000 net tons, were 55 percent greater than the 7,080,000 net tons imported in the fourth quarter of 1997.

The U.S. imported 2,861,000 net tons in December 1998, up 35.6 percent from the 2,110,000 net tons imported in December 1997. December 1998 imported accounted for 29.0 percent of apparent consumption, up from 20.6 percent a year earlier.

With respect to finished steel imports, 1998 was also a record. The total for the year was 34,744,000 net tons. Of the total December 1998 imports, finished products were 2,443,000 net tons, up 41 percent from the 1,733,000 net tons imported in December 1997. Excluding semifinished, imports in 1998 were 26 percent of U.S. apparent consumption.

As the chart on page 3 shows, steel imports in 1998 surged from many countries. Comparing fourth quarter 1998 with same period 1997, imports were up 141 percent from Japan; up 162 percent from Russia; up 102 percent from Korea; up 65 percent from Brazil; and up substantially from many other countries, e.g., Indonesia (up 553 percent), India (up 365 percent), China (up 131 percent), South Africa (up 73 percent) and Australia (up 38 percent).

Comparing fourth quarter 1998 product totals with same period 1997: the 2,708,000 net tons for hot rolled sheet were up 112 percent, the 1,222,000 net tons for cold rolled sheet were up 42 percent; the 871,000 net tons for plate in coil were up 181 percent; the 706,000 net tons for structural shapes were up 130 percent; the 575,000 net tons for cut-to-length plate were up 180 percent; and the 523,000 net tons for galvanized HD sheet and strip were up 24 percent.

In response to the December and full-year 1998 import data, Andrew G. Sharkey, III, AISI President and CEO, said this: ''In 1998, the U.S. had a steel crisis caused by unprecedented levels of unfairly traded and injurious steel imports. The factors that caused this crisis remain. The December level itself is too high to avoid sustained injury to U.S. steel companies, employees and communities. Any December decline can be directly tied to the pending trade litigation on a single product category; hot rolled carbon steel, from three countries—Japan, Russia and Brazil. America's current steel import problem is global. The U.S. steel import crisis continues.''

Total 1998 exports of 5,519,000 net tons were 9 percent lower than the 6,036,000 net tons exported in 1997. The U.S. exported 366,000 net tons of steel mill products in December 1998, down 29 percent from the 512,000 net tons exported in December 1997.

U.S. IMPORTS OF STEEL MILL PRODUCTS—BY COUNTRY OF ORIGIN

[Thousands of net tons]

| | Dec 1998 | Nov 1998 | Dec 1997 | 12/98 vs 12/97 % change | 12 Mos 1998 | 12 Mos 1997 | Ytd % change |
|---|---|---|---|---|---|---|---|
| European Union | 540 | 656 | 481 | 12 | 7214 | 7,482 | −4 |
| Japan | 436 | 828 | 199 | 119 | 6728 | 2,554 | 163 |
| Canada | 341 | 381 | 380 | −10 | 4914 | 4,775 | 3 |
| Brazil | 252 | 297 | 185 | 36 | 2729 | 2,851 | −4 |
| Mexico | 250 | 207 | 133 | 88 | 3167 | 3,312 | −4 |
| Korea | 239 | 327 | 136 | 76 | 3430 | 1,638 | 109 |
| Russia | 167 | 738 | 133 | 26 | 5274 | 3,319 | 59 |
| China | 66 | 61 | 41 | 61 | 632 | 477 | 32 |
| Australia | 54 | 58 | 80 | −33 | 951 | 439 | 117 |
| South Africa | 43 | 54 | 19 | 126 | 649 | 315 | 106 |
| Indonesia | 42 | 37 | 19 | 121 | 542 | 91 | 496 |
| Turkey | 40 | 53 | 57 | −30 | 527 | 614 | −14 |
| India | 31 | 2 | 3 | 933 | 377 | 194 | 94 |
| Ukraine | 24 | 68 | 70 | −66 | 882 | 581 | 52 |
| Others | 336 | 264 | 174 | 93 | 3504 | 2515 | 39 |
| Total | 2861 | 4031 | 2110 | 36 | 41,520 | 31,157 | 33 |

| | 4th Qtr. 1998 | 4th Qtr. 1997 | 4Q 1998 vs 4Q 1997 % change |
|---|---|---|---|
| Japan | 2146 | 890 | 141 |
| European Union | 1883 | 1,752 | 7 |
| Russia | 1508 | 576 | 162 |
| Canada | 1132 | 1,156 | −2 |
| Korea | 859 | 426 | 102 |
| Brazil | 738 | 447 | 65 |
| Mexico | 626 | 646 | −3 |
| Australia | 247 | 179 | 38 |
| China | 210 | 91 | 131 |
| Indonesia | 196 | 30 | 553 |
| South Africa | 157 | 91 | 73 |
| Ukraine | 155 | 164 | −5 |
| Turkey | 110 | 178 | −38 |
| India | 79 | 17 | 365 |
| Others | 956 | 437 | 119 |

| | 4th Qtr. 1998 | 4th Qtr. 1997 | 4Q 1998 vs 4Q 1997 % change |
|---|---|---|---|
| Total | 11002 | 7,080 | 55 |

RUSSIAN AGREEMENTS ON STEEL EXPORTS TO U.S.

Washington, D.C., February 22, 1999. Bethlehem Steel Corporation, U.S. Steel Group, a unit of USX Corporation, LTV Steel Company, Ispat/Inland Inc., National Steel Corp., Weirton Steel, Gulf States Steel, Inc., Ipsco Steel Inc., Gallatin Steel, Steel Dynamics, and the Independent Steel Workers Union made the following statement in response to the announcement that the Administration has reached agreements with the Russian government to settle the hot-rolled steel dumping case and to limit other steel exports to the U.S.

*Suspension agreement*

We continue to oppose a suspension agreement. It is contrary to applicable laws and is inconsistent with the Administration's own recent critical circumstances finding. Further, it is contrary to the plan to respond to steel imports which the President submitted to the Congress in January.

While we welcome the extremely high preliminary margins ranging from 71 to 218% found by the Department in its investigation, we deeply regret that the Department does not want to allow this prescribed remedy to go into effect.

Imports of Russian hot-rolled have increased 700% from 508,000 metric tons in 1995 to 3,468,000 metric tons in 1998, and they have been sold at dumped prices substantially below the cost to produce them. This has caused serious injury to the American steel industry and the loss of thousands of steelworker jobs.

The suspension agreement will authorize Russia to continue to dump steel in America, which will continue to cause serious injury to our industry. The tons of unfairly traded steel that the Administration is going to allow Russia, at 750,000 metric tons per year, will still allow Russia to be the largest single supplier to the U.S. market. The pricing level given to the Russians of $255 per metric ton will both allow continued dumping and allow inefficient Russian producers to undercut and damage efficient U.S. producers.

We have consistently requested the Administration to permit our laws to be enforced as Congress intended, but by entering this Agreement our rights have been taken away from us.

We regret this development and will work to convince the Administration that the proposed agreement is not in the best interest of the nation or our industry. We are also requesting Congress to have a prompt hearing about this matter. If the Administration proceeds with this agreement, we will take appropriate legal action.

*Comprehensive steel agreement with Russia*

We also oppose the comprehensive steel agreement negotiated with the Russians. We would support such an agreement only if it is a part of a global solution to the serious injury being caused by unfairly traded steel. Any agreement with Russia must be a part of an Administration initiated and supported §201 action on all steel products which will result in global quantitative restrictions, minimum prices, an adequate enforcement mechanism, and a moratorium on further shipments until the inventory of dumped steel has been cleared.

While all the details of the Russian agreement are not available, we are disappointed that they will be permitted to ship at a rate well above the 1996 precrisis level.

We do have concern over the serious economic problems facing Russia, but to the extent the United States provides financial and other aid, surely we should do this in behalf of the United States from the Federal Treasury and not by sacrificing the jobs and property of a specific private industry sector such as our modern and world class American steel industry.

We will continue to work closely with the Administration and the Congress to stop the serious injury being caused to our industry and to restore fair trade in steel.

For Media Contact: Bethlehem Steel Corporation, Bette Kovach (610) 694–6308; U.S. Steel Group, USX Corporation, Tom Ferrall (412) 433–6899; Ispat/Inland Inc., John Nielsen (219) 399–6631; LTV Steel Company, Mark Tomasch (216) 622–4635; National Steel Corporation, Clarence Ehlers (219) 273–7327; Independent Steel Workers Union, Mark Glyptis (304) 748–8080; Weirton Steel, Greg Warren (304) 797–2828; Gulf States Steel, Inc., John Duncan (256) 543–6100; Ipsco Steel, Inc., Anne Parker (306) 924–7390; and Gallatin Steel, Ed Puisis (606) 567–3103.

## SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

## INTRODUCTION OF THE RURAL ECONOMIC DEVELOPMENT AND OPPORTUNITIES ACT OF 1999

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. HAYES) is recognized for 5 minutes.

Mr. HAYES. Mr. Speaker, I rise today to announce that I will introduce legislation to address a problem that is hurting much of rural America, a stagnant economy and the declining number of job opportunities.

Mr. Speaker, if we read the newspapers inside the Beltway, we will think that all Americans are experiencing the best economic times of their lives. While our economy is indeed strong, we have to realize that there is a significant number of Americans, rural Americans, who are struggling economically because the job base in their hometown is drying up.

According to a study by the Aspen Institute, many of our rural economies are suffering because of declining sales in their natural resources market and intense international competition in the manufacturing sector.

Just like many industries across the Nation, businesses in our small towns are being forced to downsize operations while demanding more from fewer employees. The growth in metropolitan areas is quickly absorbing displaced workers there, but workers in smaller, remote communities are at a great disadvantage because economic development is virtually stagnant. In fact, a growing number of rural workers are forced to commute long distances or actually relocate their families in order to find work in these metropolitan areas.

In the region around my home district, the Eighth District of North Carolina, the Charlotte area has more jobs than workers. Each day more than 100,000 commuters, 25 percent of the area's work force, leave their local economy to go to work in Charlotte. Obviously, this trend hurts our rural communities, and it adds to the many problems our metropolitan areas suffer with traffic congestion and excessive growth.

In the Charlotte area, the unemployment rate is a meager 2.3 percent. Just two counties to the east, however, Anson County has an unemployment rate of 8 percent, Scotland County 8 percent, and Richmond County over 8 percent. We can either address this problem, or we can sit idly by while it gets worse.

That is why, Mr. Speaker, I am introducing the Rural Economic Development and Opportunities Act of 1999. What I am proposing is not a complex package of government programs and new spending. Instead, I am advocating that we adopt a commonsense proposal that will level the playing field for our rural communities by offering a basic tax credit for a new or existing rural business when it creates a job for rural workers.

It is that simple. No mountains of paperwork to fill out, no layer upon layer of government bureaucracy to work through. Local governments and development authorities will have all the flexibility they need to develop a local or regional strategy. In fact, this is not a giveaway program that will allow rural communities to relax. That is a basic tax credit that gives our rural communities a better opportunity to increase local economic development and job opportunities.

When we measure our nation's economic health, we have to look just as closely at Main Street as we do at Wall Street. Mr. Speaker, I am proud to offer the Rural Economic Development and Opportunities Act of 1999. I hope that my colleagues on both sides of the aisle will join me in supporting this bill.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

(Mr. WOLF addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

## INCREASED FUNDS FOR PELL GRANTS IN THE NATIONAL INTEREST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, I rise today to speak about a critical national issue, one that affects our national security, our future economic prosperity, and the position of the United States as a world leader. I speak, of course, about the education of our children and their ability to afford a college education.

Since the late 1970s, Federal grant assistance to students pursuing their education after high school has declined dramatically. One of the most significant measures of this decline is what has happened to the value of the Federal Pell Grant.

The Pell Grant program is the largest need-related Federal grant program for students pursuing a higher education. It is considered the foundation program for Federal student aid. It helps students from families of modest