

Congressional Steel Caucus
Hearing on State of the Steel Industry
January 14, 2025
Statement of Benjamin M. Pickett

Good morning, Chairman Crawford, Vice Chairman Mrvan, and members of the Steel Caucus. I am Ben Pickett, Executive Vice President of Business Services for Nucor Corporation. On behalf of Nucor and its 33,000 teammates, thank you for the opportunity to speak today about the state of the American steel industry. With over 300 locations across 40 states, Nucor is the largest steel producer and recycler in North America. From national defense, to oil and gas pipelines, the electricity grid, and critical inputs for our industrial base, American steel companies like Nucor are helping to build a dynamic and secure domestic economy and creating high-wage jobs for American workers.

Common-sense trade policies like the Section 232 steel tariffs and strong enforcement of our trade laws have kept unfairly traded excess steel production at bay. This has created market stability and space for companies like Nucor to invest and grow our capabilities. Since 2017, Nucor has invested more than \$20 billion dollars in the American economy. We recently commissioned two new bar mill projects in Lexington, NC, and Kingman, AZ, and our new \$4 billion dollar sheet mill in West Virginia is on track to begin ramping up by the end of 2026. Along with the most advanced plate mill in the world in Brandenburg, KY, and three new

transmission tower production facilities in Alabama, Indiana, and Utah, these and other Nucor investments are creating thousands of family supporting jobs across the United States. Safety is our number one value, and we have accomplished all of these investments in America while achieving the safest years in the history of our company, lowering our injury and illness rate every year since 2017.

With the right policies in place, we expect economic progress to continue, but this is no time for complacency. Our foreign competitors are intent on capturing U.S. market share at our expense. Global overcapacity, especially in China and its proxies, is once again increasing and remains an existential threat. The OECD projects that global steelmaking capacity will increase by 165 million metric tons by 2027, resulting in 721 million metric tons of overcapacity. If we let our guard down, these volumes will flood our market, undermine our investments, and harm our teammates and communities throughout America. Make no mistake, the American steel industry is already the most advanced in the world and we have more than enough capacity to supply domestic demand without imports or foreign influence or investment.

As we look ahead, the Caucus's continued leadership will be essential to reinforcing the policies that work and advancing improvements where they are needed. First, the Section 232 national security tariffs should remain in place. These measures have enjoyed broad, bipartisan support, and they are a vital defense as long

as they remain robust and comprehensive. The President's decision last year to revoke exclusions and alternative arrangements, increase tariffs to 50 percent, and expand coverage to additional derivative articles was the right move. The Caucus should vocally oppose any efforts to weaken these measures, whether through carveouts for countries like Canada and Mexico or through gamesmanship like underreporting the value of steel and steel products.

Notwithstanding the Section 232 measures, the U.S. trade laws remain our primary defense against dumped and subsidized imports. For decades, the trade remedy laws have allowed us to fight back against unfair trade. We continue to rely on these critical tools, most recently with cases against unfairly traded imports of corrosion-resistant steel and rebar. But these laws are long overdue for an update. The Leveling the Playing Field 2.0 Act would make important improvements to AD/CVD laws. We urge the Caucus to support timely passage of this legislation and to guard against any changes to law or agency practice that might weaken AD/CVD enforcement.

Finally, the United States will have a critical opportunity to strengthen the USMCA through the upcoming joint review process. We encourage USTR to pursue further improvements, including implementation of a melted and poured in North America requirement for all steel and steel-intensive products.

Thank you again for the opportunity to be here today. We appreciate the Steel Caucus's leadership and partnership as we work together to strengthen American steel and the communities it supports.