

JOINT RESOLUTIONS

WHEREAS, Despite these competitive gains, additional time is needed because:

- (1) The domestic steel industry still lags other major steel-producing countries in such key areas as product yield, energy efficiency, and continuous casting rate;
 - (2) Continued restructuring and modernization will be extremely expensive;
- and
- (3) The industry's underlying economic condition still is fragile because of the enormous losses (\$12 billion) sustained in 1982-86; and

WHEREAS, Unlike most of its major foreign competition, which is subsidized, the United States steel industry must depend on continued profitability for meeting its future restructuring and modernization goals, and the domestic steel industry's continued profitability will be severely threatened if surges of unfairly traded imports are allowed to resume; such surges at this time could halt current or future modernization plans in their tracks; and

WHEREAS, VRA extension will continue to require annual cash flow commitments from major United States steel producers to assure ongoing worker retraining, reinvestment in new plant and equipment, and modernization of operations, which are critical to the domestic economy in general and United States steel consumers in particular; and

WHEREAS, The domestic steel industry and its continued self-help efforts to regain full international competitiveness are uniquely important to America's national security, industrial base, and infrastructure; and

WHEREAS, There is no viable alternative to VRAs because the only other alternative — a return to massive, and very costly, trade litigation — would cause considerable market disruption that would not be in the best interest of the industry, its domestic customers, the United States government, or our trading partners, many of whom would face imposition of huge penalty duties; and

WHEREAS, The steel industry is an important part of Maryland's economy, providing employment for thousands of our State's residents; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the General Assembly supports prompt and effective extension of America's steel VRA program for 5 years; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Reference to the President of the United States, 1600 Pennsylvania Avenue, Washington, D.C. 20500; to the Maryland Congressional Delegation: Senators Paul S. Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510; and Representatives Royden P. Dyson, Helen Delich Bentley, Benjamin L. Cardin, C. Thomas McMillen, Steny H. Hoyer, Beverly B. Byron, Kweisi Mfume, and Constance A. Morella, House Office Building, Washington, D.C. 20515; the United States Senate Steel Caucus, SR-140 Russell Senate Office Building, Washington, D.C. 20510; the Congressional Steel Caucus, H2-556 House Office Building, Annex II, Washington, D.C. 20515; the Honorable Robert A. Mosbacher, Secretary, United States Department of Commerce, 14th & Constitutional Avenue, Washington, D.C. 20230; Mr. Milton Deaner, President, American Iron and Steel Institute 1133 15th Street, N.W. Washington, D.C. 20005; and Mr. Lynn