

FRENCH HILL

2ND DISTRICT, ARKANSAS

COMMITTEE ON FINANCIAL SERVICES

RANKING MEMBER

SUBCOMMITTEE ON NATIONAL SECURITY,
INTERNATIONAL DEVELOPMENT, AND
MONETARY POLICY

SUBCOMMITTEE ON INVESTOR PROTECTION,
ENTREPRENEURSHIP, AND CAPITAL
MARKETS

FINTech TASKFORCE

CARES ACT CONGRESSIONAL OVERSIGHT COMMISSION
COMMISSIONER



Congress of the United States
House of Representatives
Washington, DC 20515

October 14, 2020

WASHINGTON, DC OFFICE
1533 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-2506
FAX: (202) 225-5903

CONWAY DISTRICT OFFICE
1105 DEER STREET, SUITE 12
CONWAY, AR 72032
PHONE: (501) 358-3481
FAX: (501) 358-3494

LITTLE ROCK DISTRICT OFFICE
1501 NORTH UNIVERSITY AVENUE, SUITE 630
LITTLE ROCK, AR 72207
PHONE: (501) 324-5941
FAX: (501) 324-6029

The Honorable Wilbur Ross
Secretary
U.S. Department of Commerce
1401 Constitution Ave NW
Washington, DC 20230-0001

Dear Secretary Ross:

I write today to inform you that your agency is the most recent recipient of my Golden Fleece Award. I am awarding the Golden Fleece to the U.S. Department of Commerce (Commerce) for having a deficient exclusion request process for businesses requesting to be excluded from having to pay Section 232 steel and aluminum tariffs (Section 232 tariffs).

According to a recent report from the Government Accountability Office (GAO), of the 106,000 Section 232 tariff exclusion requests received, Commerce “rejected over 19,000 of them prior to decision due to incorrect or incomplete information. Although rejections may delay relief for requesters and can increase work for Commerce, the agency has not identified, analyzed, or taken steps to fully address the causes of these submission errors.”¹

Further, “Commerce did not meet timeliness guidelines for approximately 79 percent of steel and 72 percent of aluminum requests,”² and “[n]inety-six percent of exclusion requests with objections did not meet timeliness guidelines compared with 75 percent of exclusion requests without objections.”³

In addition to the deficiencies in the exclusion requests process, the GAO was “unable to determine whether Commerce conducted any regular reviews of the tariffs’ impacts, and agency officials were unable to produce documentation containing the results of any reviews.”⁴

It is unacceptable that Commerce did not have adequate measures to ensure companies that were negatively impacted by the Section 232 tariffs received timely or consistent decisions for their exclusion requests. Further, Commerce’s lack of adequate reporting on the economic impact of these tariffs is concerning. This inadequacy demonstrates how the administration’s economic decisions impact American companies, including those in Arkansas, without fully understanding the potential negative or even positive impacts those policies may have on the American economy. I encourage Commerce to implement GAO’s recommendations and ensure that future tariff exclusion processes are fair and transparent.

¹ U.S. Government Accountability Office. “Steel and Aluminum Tariffs, Commerce Should Improve Its Exclusion Request Process and Economic Impact Reviews.” September 2020. GAO-20-517. “What GAO Found.” <https://www.gao.gov/assets/710/709387.pdf>

² Ibid, 25.

³ Ibid, 25.

⁴ Ibid, 45. [HILL.HOUSE.GOV](https://hill.house.gov)

The Honorable Wilbur Ross
October 14, 2020
Page 2 of 2

Should you require any additional authority from Congress to address these concerns, I urge you to notify us as soon as possible. I thank you for your consideration and look forward to working with you to address this important issue.

Sincerely,

A handwritten signature in blue ink that reads "J. French Hill". The signature is written in a cursive, flowing style.

French Hill
Member of Congress