

Congress of the United States
House of Representatives
Washington, DC 20515-1803

March 6, 2018

President Donald J. Trump
The White House
West Wing
1600 Pennsylvania Avenue, NW
Washington, DC 20502

Dear President Trump,

I am writing today to commend you on your efforts to spur economic development and job creation in the United States (U.S.) Since the start of the 115th Congress, your administration has successfully worked in tandem with Congress to roll back onerous regulations and failed policies of the past that have restricted economic growth and prosperity in the United States.

Two industries that have greatly benefited from conservative policy are the oil & gas and petrochemical. In my district alone these two industries have seen over \$120 billion in private investments made to start new endeavors or expand upon existing ones. These projects are bringing tremendous growth to the region which will in turn benefit the nation.

Many of these new projects are focused on the production of liquified natural gas (LNG), a quickly expanding industry that has greatly contributed to the energy renaissance in our nation, with Southwest Louisiana becoming the epicenter of that growth.

On March 1, 2018, you began to speak publicly about your plan to place a 25 percent tariff on imported steel and a 10 percent tariff for imported aluminum. While I agree with your stance on creating trade policies and agreements that benefit tax-paying Americans, something that our country has not had in place for decades, I do have concerns about the proposed tariff's effect on the LNG industry.

As you know the LNG industry and others involved in the petrochemical industry rely upon the importation of specialty steel for many of the projects they are involved in across the nation. This is especially so for the new projects that are entering their construction phase in my district. The specialty steel required for many of these facilities is not available in the United States, leaving these projects with the importation of specialty steel as the sole option for procurement. A new tariff imposed upon existing projects alters the economic benefit model, endangering new project development.

Mr. President, as a very successful builder yourself, I'm certain that you recognize that Federal policy must be established in a manner that does not punish existing projects. The District I represent in Louisiana includes many multi-billion-dollar LNG projects wherein several years and hundreds of millions of private dollars have already been invested. Righteously, existing projects should not fall under the same potential new tariff as future projects.

I am aware that you and your team are still fully flushing out the details of your proposed tariff plans, and are also likely very well aware of the concerns I have presented you with today. While I agree with your stances on U.S. trade policy, I hope you will take into consideration the impact of the proposed steel tariff on industries that are reliant on imported specialty steel due to a lack of domestic access and production, and that any new tariff on steel will be enacted with protections for already existing projects and contracts.

Sir, it is my great honor to serve beside you. I look forward to working with you on this and other endeavors that will secure the United States' energy dominance and economic future.

Respectfully,



Clay Higgins
United States Congressman