

Nucor Public Affairs Update

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Federal Policy Update

The fall of an election year means that very little policy work gets done after Labor Day as members of Congress focus on the election. But important policy developments have occurred in recent months, including action by the Administration to address an increase in steel imports and legislation promoting the development of nuclear energy.

Surge in Steel Imports from Mexico

Unfairly traded steel imports are an ongoing challenge for the U.S. steel industry. Since President Trump originally imposed the Section 232 tariffs on steel imports, the U.S. government has negotiated agreements with many allies to lift the tariffs and replace them with import quotas or other measures. Two of those allies we have reached agreements with are Canada and Mexico, however, over the last 18 months, we have seen an increase in steel imports from those countries that are above historic levels, contrary to agreements the U.S. has with both countries that lifted the tariffs.

It has also become apparent that China and other countries have been evading the Section 232 tariffs and other duties by transshipping steel through our neighbors to the North and South. Fortunately, a few weeks ago, trade representatives from the U.S. and Mexico announced an agreement designed to stop the flow of illegally imported steel from China and elsewhere through the southern border.

Under this new agreement, the U.S. will impose a 25% tariff on Mexican steel that is melted and poured outside of North America. Mexico also agreed to raise its tariff rates on imports from countries it does not have free trade agreements with.

While these were necessary first steps to stop the surge of steel imports from Mexico and address the problem of circumvention, more needs to be done. We are also concerned about trade practices involving rebar, electrical conduit, and the rise in fabricated steel products coming in from Mexico. We have urged the U.S. government to continue working with Mexican leaders to address each of these issues.

Legislation Signed into Law to Accelerate the Development of Nuclear Energy

The development of new nuclear power plants has basically stalled in the U.S. for the past 30 years due to negative views of the industry, a lengthy licensing process, and the high cost of constructing these plants. With significant growth in electricity demand due to manufacturing investment and data center construction, as well as a focus on decarbonizing our economy, there is renewed interest in nuclear energy as a source of carbon-free baseload power.

On July 9, 2024, President Biden signed into law the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act (ADVANCE Act) that includes provisions to facilitate the construction of new nuclear energy facilities in the U.S. It passed the House and Senate with overwhelming bipartisan support.

Some important provisions in the ADVANCE Act include:

- Streamlining the Nuclear Regulatory Commission (NRC) licensing process to accelerate the development and deployment of nuclear energy.
- Fast-tracks licensing for nuclear facilities at brownfield and retired fossil fuel sites.
- Developing a process for licensing micro reactors.
- Streamlining the environmental review process.
- Expanding the opportunity for foreign investment in nuclear energy facilities.
- Innovation incentives, such as monetary prizes, for deploying next generation reactors.

Nucor believes developing more nuclear energy in the U.S. is essential to provide large electricity users such as steel mills, car manufacturers, data centers and other industrial sites with baseload carbon-free electricity.

2024 Election Already Full of Surprises

The summer of a presidential election year is usually marked by both political parties celebrating their nominees at their respective conventions and gearing up for the fall campaign. So far the 2024 election has been anything but usual. President Biden and former President Trump debated in June – the earliest presidential debate in modern history. Former President Trump was the target of an assassination attempt that he fortunately survived with minor injuries. And President Biden made the decision in late July to no longer seek re-election. All this before August.

So now it will be Vice President Kamala Harris facing off against former President Trump in the presidential election. Former President Trump selected Ohio Senator J.D. Vance as his running mate, while Vice President Harris selected Minnesota Governor Tim Walz.

In addition to the presidential race, all 435 House members are up for election as are 34 Senate seats. Democrats are defending 23 of those seats in the Senate while 11 Republican-controlled seats are on the ballot. Four senate races are widely considered to be toss-ups – all seats currently held by Democrats, who right now have a one seat majority. In the House, Republicans currently hold a slim majority, with 23 Houses races considered toss-ups. Eleven gubernatorial elections are also being held this fall with only one of those races considered a toss-up – North Carolina.

The unpredictable and frenetic pace promises to continue through to Election Day.