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# Bipartisan Group of Ten Senators Introduces "PRINT" Act to Protect Publishers and Printers from Harmful Tariffs

Bill Would Suspend Newsprint Tariffs While Government Studies Effects on U.S. Industries

Arlington, Va. – Today, in an effort to protect printers and publishers from unwarranted tariffs, Senators <u>Susan Collins</u> (R-ME) and <u>Angus King</u> (I-ME) introduced S. 2385, the "<u>Protecting Rational Incentives in Newsprint Trade Act of 2018,</u>" or "PRINT Act." Senators Roy Blunt (R-MO), Shelley Moore Capito (R-WV), Deb Fischer (R-NE), Johnny Isakson (R-GA), Doug Jones (D-AL), Claire McCaskill (D-MO), Jerry Moran (R-KS) and Roger Wicker (R-MS) joined as original co-sponsors.

The PRINT Act would suspend new tariffs currently being imposed on imported uncoated groundwood paper from Canada, which is the primary source of newsprint and other paper used by domestic newspapers, book publishers and commercial printers. Simultaneously, the legislation would require the Department of Commerce to review the economic health of the printing and publishing industries. Newspapers and printers across the United States have told

Congress that the new import tariffs – as high as 32 percent – would jeopardize the viability of the industry and threaten to decimate the U.S. paper industry's customer base.

Many local newspapers and printers that use uncoated groundwood paper have experienced price increases and a disruption in supply since preliminary countervailing and antidumping duties were assessed earlier this year. Even as the Commerce Department investigation is ongoing, the duties are already being collected on imports, causing immediate economic harm to printers and publishers. A final Commerce Department decision is expected on August 2.

The new PRINT Act legislation would pause both the preliminary and any final duties while the Department completes its study.

In introducing the legislation, Senator Collins stated, "The U.S. printing and publishing industry is facing an unprecedented threat from crippling new import tariffs imposed on Canadian uncoated groundwood paper — better known as 'newsprint' — which is used by newspapers, book publishers, and commercial printers. As a Senator representing one of our nation's leading papermaking states, I have consistently fought for actions to ensure a level playing field for the domestic papermaking industry. In this case, however, one domestic mill owned by a venture capital firm appears to be taking advantage of trade remedies to add to its own bottom line, putting thousands of American jobs at risk. I encourage my colleagues to support this bipartisan bill to fully evaluate the economic impact of these tariffs before they harm our local newspapers and printing industries."

"Throughout Maine, small town newspapers remain a principal source of information for people looking to read the news, learn about the goings-on in their communities, and stay up-to-date on current events," Senator King said. "But new tariffs on uncoated groundwood paper could jeopardize this access to information and impact hundreds of thousands of American jobs in the U.S. newspaper business and paper manufacturing industry, which are already operating on razor-thin margins. I have consistently fought for stronger trade enforcement, especially when it involves protecting the domestic paper industry, and must take action to ensure the Department of Commerce hears the serious concerns of the domestic paper manufacturing industry. The PRINT Act would help us better understand the damaging consequences of the DOC's decision to impose duties and help ensure local newspapers don't bear an undue burden from these misguided tariffs, so people in Maine and in rural towns across America, can continue to receive their local news from hometown papers."

Comments on the Introduction of the PRINT Act from Members of the Stop Tariffs on Printers and Publishers (STOPP) Coalition:

#### David Chavern, President & CEO, News Media Alliance

"Publishers already face economic headwinds due to the migration of advertising from print to digital. We simply cannot absorb extra costs from import taxes. Newspapers will close or be forced to raise prices for readers and advertisers. We are already seeing some papers cut back on news distribution and cut jobs. These tariffs are killing jobs and high-quality news in local communities. We are grateful that Senator King, Senator Collins and the original co-sponsors of

the bill showed leadership and stepped up to protect small publishers in local communities across America."

## Susan Rowell, Publisher, Lancaster (SC) News and President, National Newspaper Association

"Good trade policy increases the job opportunities in America. Applying tariffs like a tax to industries simply to penalize struggling businesses does not enhance jobs. It takes opportunities away. On behalf of community newspapers, we believe the Department of Commerce must fully understand how irretrievable the damage to our publications and our towns would be if trade policy continues to force newsprint costs higher. If you want to silence a free press, take away the newsprint. That is what is happening now, and it is simply wrong. We applaud Senators Collins and King for taking a bold step to protect newspapers."

#### Michael Makin, President & CEO, Printing Industries of America

"The printing industry is constantly innovating and reinventing itself to stay competitive in the modern communications marketplace. Taxing our most essential raw material drags down the industry's job creation, economic growth and future viability. PIA supports free and fair trade, but trade remedy laws are designed to help domestic industries – not to create an exponential number of domestic losers in the process. The PRINT Act is crucial to restoring a much-needed sense of sanity surrounding tariffs on uncoated groundwood paper."

### Alfredo Carbajal, President, American Society of News Editors

"ASNE thanks Senators Susan Collins and Angus King for introducing the PRINT Act. The economic sting of the ongoing proceedings at the Department of Commerce and United States International Trade Commission is being felt by our members, some of whom will be laying off staff as newsprint costs increase. The impact of these layoffs may be permanent, even if the tariffs are reversed. Unfortunately, it is the public who will be impacted the most by these changes. The PRINT Act offers a reasonable solution, which prevents long-term impact on the public and press as the need for government action is assessed."

#### Molly Willmott, President, Association of Alternative Newsmedia

"The Association of Alternative Newsmedia is proud to endorse the PRINT Act and thanks Senators Susan Collins and Angus King for introducing this bill. Our members continue to serve their local communities via the distribution of print newspapers on a weekly basis. They are already being affected by increases in printing costs that have resulted from the proceedings initiated before the Department of Commerce. Unless action is taken now, there will be short and long-term effects on our members' ability to inform their readers. The PRINT Act will help."

#### Jim Fetherston, President, Book Manufacturers' Institute

"Plain and simple, the tariffs and duties on uncoated groundwood paper are having a negative financial impact on American book manufacturers. Rather than protecting American jobs, they are having the opposite effect. Book publishers are moving production to China to avoid this extra cost. The BMI solidly supports the introduction of the PRINT Act."

Mark J. Nuzzaco, Vice President, Government Affairs, Association for Print Technologies "The Association for Print Technologies (APTech<sup>SM</sup>), formerly NPES, joins with its industry

colleagues in endorsing the PRINT Act and commends the leadership of its sponsors, U.S. Senators Susan Collins and Angus King. Support for free, fair trade along with the use of trade sanctions under U.S. law when necessary and appropriate are bedrock principles for APTech. But in this instance, the already-imposed countervailing and anti-dumping duties are misplaced and are harming a domestic industry rather than shielding it from unfair competition. The PRINT Act will provide a much-needed reprieve from the ongoing damage of these duties while all of the facts of the case are fully assessed."

The PRINT Act seeks a further examination of the harm that these tariffs will have on our nation's economy, local jobs and the distribution of news and information in local communities. Specifically, the PRINT Act would:

- 1) require a study by the DOC of the economic wellbeing, health and vitality of the newsprint industry and the local newspaper publishing industry in the U.S.;
- 2) require a report from the Commerce Secretary to the President and Congress within 90 days that includes both the findings of the study and any recommendations the Secretary considers appropriate;
- 3) pause any affirmative determination by the DOC or ITC (U.S. International Trade Commission) until the President certifies that he has received the report and has concluded that such a determination is in the economic interest of the United States; and 4) halt the collection of cash deposits for uncoated groundwood imports currently under investigation at the Commerce Department until the President has made such certifications.

Because of the devastating impact of the tariffs on publishers, printers and other businesses, the bill has received widespread support from <u>Stop Tariffs on Printing & Publishing (STOPP)</u>, a broad-based coalition that was formed to fight these crippling tariffs and which represents more than 600,000 workers in the U.S. printing and publishing industries.

The ITC is conducting its final investigation in this case, which includes a public hearing on July 17, 2018. The Commission will reach a final determination in mid-September.

For more information about "Protecting Rational Incentives in Newsprint Trade Act of 2018," click here.

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The STOPP Coalition is a group of associations representing printers, publishers, paper suppliers and distributors that represent mostly small businesses in local communities that employ more than 600,000 workers in the United States. We have joined together to fight proposed government tariffs on newsprint that have been initiated by petitions filed by a single newsprint mill, NORPAC, an outlier in the industry that is owned by a New York hedge fund, with no additional pulp or paper operations in the United States or globally. Information about the STOPP Coalition can be found at <a href="https://www.stopnewsprinttariffs.org">www.stopnewsprinttariffs.org</a>.