

# AMERICANS FOR FREE★TRADE

March 18, 2021

The Honorable Katherine Tai  
United States Trade Representative  
600 Seventeenth Street, N.W.  
Washington, D.C. 20508

Dear Ambassador Tai:

Congratulations on your confirmation as U.S. Trade Representative. We appreciate your dedication to public service and look forward to working with you on a worker-centric trade policy that benefits American workers, families, and businesses.

Our companies and associations joined together to form Americans for Free Trade in 2018. Our coalition represents every part of the U.S. economy including manufacturers, farmers and agribusinesses, retailers, technology companies, service suppliers, natural gas and oil companies, importers, exporters, and other supply chain stakeholders. Collectively, we employ tens of millions of Americans through our vast supply chains.

American families, workers, and businesses are experiencing a period of unprecedented difficulty and uncertainty. As businesses around the country try to implement and sustain a full and successful recovery from the ongoing economic harm caused by the COVID-19 pandemic, they need as much certainty as possible. That certainty can be provided in several ways, including by collaborating with our trading partners and allies to address violations of U.S. trade law, and by negotiating trade agreements that open markets for – rather than trigger retaliation against – American exporters and the tens of millions of workers who rely on export markets around the world.

One area that needs immediate attention relates to our tariff policy. Over the last several years, American businesses and families have been assessed more than \$90 billion<sup>1</sup> in additional tariffs. These tariffs have resulted in less money in the pockets of American families<sup>2</sup>, a slowdown in U.S. manufacturing<sup>3</sup>, and decreased competitiveness for American businesses vis-à-vis their counterparts in Europe and Asia. Tariffs are taxes. They have created tremendous uncertainty and financial pain for American families, American workers, and American businesses.

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<sup>1</sup> CBP Trade Statistics, available at <https://www.cbp.gov/newsroom/stats/trade> (last visited 3/7/2021).

<sup>2</sup> See The Budget and Economic Outlook: 2020 to 2030, Congressional Budget Office, p. 33 (“As a result, tariffs are also projected to reduce average real household income by \$1,277 (in 2019 dollars) in 2020.”).

<sup>3</sup> See Flaaen, Aaron, and Justin Pierce, “Disentangling the Effects of the 2018-2019 Tariffs on a Globally Connected U.S. Manufacturing Sector,” Federal Reserve Board (Dec. 23, 2019).

We appreciate USTR's decision to extend for six months product exclusions on medical-care and other products needed to respond to the COVID-19 pandemic. This was an important first step to providing relief, but more can be done. As your office considers how best to deploy U.S. trade policy tools to address the ongoing public health and economic crises, we urge USTR to examine closely the negative impact that tariffs have caused to American families, American workers, and American businesses over the last several years and consider a thorough study of whether they have met their stated objectives. This should include an economic analysis regarding the impact of the tariffs in key areas, such as American jobs, manufacturing, competitiveness, innovation, and economic growth. In addition, we urge USTR to examine the effectiveness of the tariffs and the section 301 product exclusion process administered over the last several years.

As USTR conducts these important reviews, we also urge you to take the following immediate actions:

- Reinstate the section 301 product exclusion process, including a retroactive extension for product exclusions that expired during 2020 to provide economic relief and predictability for American businesses, workers, and families;
- Improve the section 301 product exclusion process to ensure it is administered in a fair, transparent, and predictable manner and then initiate a new product exclusion request opportunity;
- For all goods that are needed to respond to COVID-19, provide exclusions for the period beginning on the effective date of the initial COVID-19 national emergency declaration and concluding one year after termination of the COVID-19 national emergency; and
- Resolve ongoing trade disputes through targeted actions and concerted bilateral and multilateral engagement -- measures that reduce trade barriers and open markets for American exporters rather than impose additional financial burdens on American families, businesses, and workers through tariffs and close markets when trading partners retaliate.

Lifting the additional tariffs is a simple, straightforward way to provide an economic boost to American families, American workers, and American businesses and to help ensure a successful economic recovery. It is also an important step to repairing relationships with U.S. trading partners and allies and restoring our standing on the world stage.

Again, we congratulate you on your historic confirmation. We would like to request a meeting with you to discuss how we can work with you on a trade policy agenda that tackles the unprecedented challenges facing American families, workers, and businesses.

Sincerely,

Accessories Council  
ACT | The App Association  
Agriculture Transportation Coalition (AgTC)

ALMA, International (Association of  
Loudspeaker Manufacturing and Acoustics)  
American Apparel & Footwear Association (AAFA)

American Association of Exporters and Importers (AAEI)	CropLife America
American Association of Port Authorities	Customs Brokers & Freight Forwarders Assn. of Washington State
American Bakers Association	Customs Brokers & Freight Forwarders of Northern California
American Bridal & Prom Industry Association (ABPIA)	Distilled Spirits Council of the United States
American Chemistry Council	Electronic Transactions Association
American Down and Feather Council	Experiential Designers and Producers Association
American Fly Fishing Trade Association	Fashion Accessories Shippers Association (FASA)
American Home Furnishings Alliance	Fashion Jewelry & Accessories Trade Association
American Lighting Association	Flexible Packaging Association
American Petroleum Institute	Florida Ports Council
American Pyrotechnics Association	Florida Retail Federation
American Rental Association	Footwear Distributors and Retailers of America (FDRA)
American Specialty Toy Retailing Association	Fragrance Creators Association
American Wind Energy Association	Game Manufacturers Association
Arizona Technology Council	Gemini Shippers Association
Arkansas Grocers and Retail Merchants Association	Georgia Retailers
Association For Creative Industries	Global Chamber®
Association for PRINT Technologies	Global Cold Chain Alliance
Association of American Publishers	Greeting Card Association
Association of Equipment Manufacturers (AEM)	Halloween Industry Association
Association of Home Appliance Manufacturers	Home Fashion Products Association
Auto Care Association	Home Furnishings Association
Beer Institute	Household and Commercial Products Association
BSA   The Software Alliance	Idaho Retailers Association
California Retailers Association	Illinois Retail Merchants Association
Carolina Loggers Association	Independent Office Products & Furniture Dealers Association (IOPFDA)
Chemical Industry Council of Delaware (CICD)	Indiana Retail Council
Coalition of New England Companies for Trade (CONNECT)	Information Technology Industry Council (ITI)
Coalition of Services Industries (CSI)	International Association of Amusement Parks and Attractions (IAAPA)
Colorado Retail Council	International Bottled Water Association (IBWA)
Columbia River Customs Brokers and Forwarders Assn.	International Foodservice Distributors Association
Computer & Communications Industry Association (CCIA)	International Housewares Association
Computing Technology Industry Association (CompTIA)	International Warehouse and Logistics Association
Consumer Brands Association	International Wood Products Association
Consumer Technology Association	Internet Association
Council of Fashion Designers of America (CFDA)	ISSA - The Worldwide Cleaning Industry Association
	Jeweler's Vigilance Committee
	Juice Products Association (JPA)
	Juvenile Products Manufacturers Association
	Leather and Hide Council of America
	Licensing Industry Merchandisers' Association

Los Angeles Customs Brokers and Freight Forwarders Assn.	New Jersey Retail Merchants Association
Louisiana Retailers Association	North American Association of Uniform Manufacturers and Distributors (NAUMD)
Maine Grocers & Food Producers Association	North Carolina Retail Merchants Association
Maine Lobster Dealers' Association	Ohio Council of Retail Merchants
Maritime Exchange for the Delaware River and Bay	Outdoor Industry Association
Maryland Retailers Association	Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.
Methanol Institute	Pennsylvania Retailers' Association
Michigan Chemistry Council	PeopleforBikes
Michigan Retailers Association	Personal Care Products Council
Minnesota Retailers Association	Pet Industry Joint Advisory Council
Missouri Retailers Association	Petroleum Equipment & Services Association
Motor & Equipment Manufacturers Association	Plumbing Manufacturers International
Motorcycle Industry Council	Power Tool Institute (PTI)
NAPIM (National Association of Printing Ink Manufacturers)	Promotional Products Association International
National Association of Chain Drug Stores (NACDS)	Recreational Off-Highway Vehicle Association
National Association of Chemical Distributors (NACD)	Retail Association of Maine
National Association of Foreign-Trade Zones (NAFTZ)	Retail Council of New York State
National Association of Home Builders	Retail Industry Leaders Association
National Association of Music Merchants	Retailers Association of Massachusetts
National Association of Printing Ink Manufacturers	RISE (Responsible Industry for a Sound Environment)
National Association of Trailer Manufacturers (NATM)	San Diego Customs Brokers and Forwarders Assn. SEMI
National Confectioners Association	Semiconductor Industry Association (SIA)
National Council of Chain Restaurants	Snowsports Industries America
National Customs Brokers and Freight Forwarders Association of America	Society of Chemical Manufacturers & Affiliates
National Fisheries Institute	Software & Information Industry Association (SIIA)
National Foreign Trade Council	South Dakota Retailers Association
National Grocers Association	Specialty Equipment Market Association
National Lumber and Building Material Dealers Association	Specialty Vehicle Institute of America
National Marine Manufacturers Association	Sports & Fitness Industry Association
National Restaurant Association	TechNet
National Retail Federation	Telecommunications Industry Association (TIA)
National Ski & Snowboard Retailers Association	Texas Retailers Association
National Sporting Goods Association	Texas Water Infrastructure Network
Natural Products Association	The Airforwarders Association
	The Fertilizer Institute
	The Hardwood Federation
	The Toy Association
	Travel Goods Association
	Truck & Engine Manufacturers Association (EMA)
	United States Council for International Business
	United States Fashion Industry Association
	US Global Value Chain Coalition
	US-China Business Council

Vinyl Institute  
Virginia Retail Merchants Association  
Virginia-DC District Export Council (VA-DC  
DEC)

Washington Retail Association  
Window and Door Manufacturers Association  
World Pet Association, Inc. (WPA)