



February 1, 2022

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20510

RE: Support for Section 301 Product Exclusions Process in the America COMPETES Act

Dear Speaker Pelosi and Leader McCarthy:

On behalf of the undersigned members of Americans for Free Trade, we write in strong support of amending the America COMPETES Act of 2022 to include language requiring the Office of the U.S. Trade Representative (USTR) to reinvigorate the exclusion process for products subject to additional tariffs under Section 301 of the Trade Act of 1974. Such a provision was included as part of the Trade Act of 2021 in the U.S. Innovation and Competition Act (S. 1260) after an overwhelmingly bipartisan 91-4 vote. We believe such a provision would enjoy broad bipartisan support in the House as well. Especially in light of a bipartisan letter signed by 141 members that was just sent to Ambassador Tai asking for such a process.

We strongly support Amendment 14 (Kind/DelBene/Scott/Houlihan) and Amendment 98 (Murphy/Walorski). We urge the amendments be ruled in order and encourage members to support them.

By way of background, [Americans for Free Trade](#) 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.

As companies in the U.S. continue to recover from the global pandemic and operate in an inflationary economic environment, we continue to call upon the administration to resolve the ongoing trade war with China. To date, U.S. Customs and Border Protection has assessed over [\\$123.5 billion dollars](#) in tariffs from U.S. companies who import products from China. These taxes increase the cost of doing business in the United States and place a financial burden on U.S. businesses – negatively impacting their ability to invest in their companies, hire more American workers, and remain competitive globally.

While we continue calling for an end to the trade war and elimination of the additional tariffs on U.S. companies as well as China's retaliatory tariffs, we believe reinstituting the section 301 exclusion process is critical to helping U.S. businesses. According to a recent Moody's Investor Service Report, the tariffs "hit American businesses and consumers hardest," with China absorbing only 7.6 percent of the tariffs "while the rest of the tab was picked up by Americans." A new, transparent, and fair exclusions process would help alleviate the economic burden on American businesses and consumers.

We welcomed USTR's announcement in October to open an exclusions process for a limited set of products. However, that process is only available to approximately 1 percent of the original exclusion applications and USTR has yet to announce any new exclusions from the process. To provide meaningful relief, a more robust process is needed. This view is shared by at least [141 bipartisan House members](#).

Absent a clear indication from USTR that it will use its authority to provide a fair, transparent, and comprehensive exclusions process, Congress must act. We therefore urge the House to include language (Amendments 14 and 98) in the America COMPETES Act that would require USTR to reinstitute a meaningful exclusions process.

Sincerely

ACT The App Association	American Wind Energy Association
Agriculture Transportation Coalition (AgTC)	Arizona Technology Council
ALMA, International (Association of	Arkansas Grocers and Retail Merchants Association
Loudspeaker Manufacturing and Acoustics)	Association For Creative Industries
American Apparel & Footwear Association	Association for PRINT Technologies
(AAFA)	Association of American Publishers
American Association of Exporters and	Association of Equipment Manufacturers (AEM)
Importers (AAEI)	Association of Home Appliance Manufacturers
American Association of Port Authorities	Auto Care Association
American Bakers Association	Beer Institute
American Bridal & Prom Industry Association	BSA The Software Alliance
(ABPIA)	Business Alliance for Customs Modernization
American Chemistry Council	California Retailers Association
American Clean Power Association	Can Manufacturers Institute
American Coatings Association, Inc. (ACA)	Carolina Loggers Association
American Down and Feather Council	Chemical Industry Council of Delaware (CICD)
American Fly Fishing Trade Association	Coalition of New England Companies for Trade (CONNECT)
American Home Furnishings Alliance	Coalition of Services Industries (CSI)
American Lighting Association	Colorado Retail Council
American Petroleum Institute	Columbia River Customs Brokers and Forwarders Assn.
American Pyrotechnics Association	Computer & Communications Industry Association (CCIA)
American Rental Association	Computing Technology Industry Association (CompTIA)
American Seed Trade Association	Consumer Brands Association
American Specialty Toy Retailing Association	Consumer Technology Association
American Trucking Association	Council of Fashion Designers of America (CFDA)

CropLife America
Customs Brokers & Freight Forwarders Assn.
of Washington State
Customs Brokers & Freight Forwarders of
Northern California
Distilled Spirits Council of the United States
Electronic Transactions Association
Energy Workforce & Technology Council
Experiential Designers and Producers
Association
Fashion Accessories Shippers Association
(FASA)
Fashion Jewelry & Accessories Trade
Association
Flexible Packaging Association
Florida Ports Council
Florida Retail Federation
Footwear Distributors and Retailers of
America (FDRA)
Fragrance Creators Association
Game Manufacturers Association
Gemini Shippers Association
Georgia Retailers
Global Chamber®
Global Cold Chain Alliance
Greeting Card Association
Halloween Industry Association
Home Fashion Products Association
Home Furnishings Association
Household and Commercial Products
Association
Idaho Retailers Association
Illinois Retail Merchants Association
Independent Office Products & Furniture
Dealers Association (IOPFDA)
Indiana Retail Council
Information Technology Industry Council (ITI)
International Association of Amusement Parks
and Attractions (IAAPA)
International Bottled Water Association
(IBWA)
International Foodservice Distributors
Association
International Housewares Association
International Warehouse and Logistics
Association

International Wood Products Association
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.
Louisiana Retailers Association
Maine Grocers & Food Producers Association
Maine Lobster Dealers' Association
Maritime Exchange for the Delaware River and Bay
Maryland Retailers Association
Methanol Institute
Michigan Chemistry Council
Michigan Retailers Association
Minnesota Retailers Association
Missouri Retailers Association
Motor & Equipment Manufacturers Association
Motorcycle Industry Council
NAPIM (National Association of Printing Ink
Manufacturers)
National Association of Chain Drug Stores (NACDS)
National Association of Chemical Distributors (NACD)
National Association of Foreign-Trade Zones (NAFTZ)
National Association of Home Builders
National Association of Music Merchants
National Association of Printing Ink Manufacturers
National Association of Trailer Manufacturers (NATM)
National Confectioners Association
National Council of Chain Restaurants
National Customs Brokers and Freight
Forwarders Association of America
National Electrical Manufacturers Association (NEMA)
National Fisheries Institute
National Foreign Trade Council
National Grocers Association
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Restaurant Association
National Retail Federation
National Ski & Snowboard Retailers Association
National Sporting Goods Association
Natural Products Association
New Jersey Retail Merchants Association

North American Association of Food Equipment Manufacturers (NAFEM)	Semiconductor Industry Association (SIA)
North American Association of Uniform Manufacturers and Distributors (NAUMD)	Snowsports Industries America
North Carolina Retail Merchants Association	Software & Information Industry Association (SIIA)
Ohio Council of Retail Merchants	South Dakota Retailers Association
Outdoor Industry Association	Specialty Equipment Market Association
Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc.	Specialty Vehicle Institute of America
Pennsylvania Retailers' Association	Sports & Fitness Industry Association
PeopleforBikes	TechNet
Personal Care Products Council	Telecommunications Industry Association (TIA)
Pet Food Institute	Texas Retailers Association
Pet Industry Joint Advisory Council	Texas Water Infrastructure Network
Plumbing Manufacturers International	The Airforwarders Association
Power Tool Institute (PTI)	The Fertilizer Institute
Promotional Products Association International	The Hardwood Federation
Recreational Off-Highway Vehicle Association	The Toy Association
Retail Association of Maine	Travel Goods Association
Retail Council of New York State	Truck & Engine Manufacturers Association (EMA)
Retail Industry Leaders Association	United States Council for International Business
Retailers Association of Massachusetts	United States Fashion Industry Association
RISE (Responsible Industry for a Sound Environment)	US Global Value Chain Coalition
RV Industry Association	US-China Business Council
San Diego Customs Brokers and Forwarders Assn.	Vinyl Institute
SEMI	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)