



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