AMERICANS FOR FREE TRADE

February 24, 2021

The Honorable Ron Wyden Chairman Senate Committee on Finance U.S. Senate Washington, DC 20510 The Honorable Mike Crapo Ranking Member Senate Committee on Finance U.S. Senate Washington, DC 20510

Dear Chairman Wyden and Ranking Member Crapo,

The Americans for Free Trade coalition, a broad alliance of American businesses, trade organizations and workers united against tariffs, respectfully writes in support of the nomination of Katherine Tai to become the next U.S. Trade Representative. We applaud the scheduling of Ms. Tai's nomination hearing, to take place on February 25, and we urge her quick confirmation by the Senate.

Ms. Tai and the Biden Administration have promised a "worker-centric trade policy." Our coalition proudly represents every part of the U.S. economy including manufacturing, farming and agribusinesses, retail, technology, services, natural gas and oil, importers, exporters, and other supply chain stakeholders. Collectively, we support tens of millions of American jobs through our vast supply chains.

American families, workers, and businesses face unprecedented difficulty and uncertainty from the ongoing economic harm caused by the COVID-19 pandemic. As American businesses try to implement and sustain a full and successful recovery, they need as much certainty as possible. That certainty can be provided in many 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 American workers who rely on export markets around the world.

Further, ensuring the United States has a cohesive and strategic policy to take on China's unfair trading practices – but does not cause collateral damage to American families, workers, and businesses – is vital to easing existing financial pain and providing certainty that can help fuel a successful recovery. Over the last several years, American businesses and families have been assessed more than \$85 billion¹ in additional tariffs. Tariffs are taxes, and they have resulted in less money in the pockets of American families², a slowdown in U.S. manufacturing³, and decreased competitiveness for American businesses vis-à-vis their counterparts in Europe and Asia.

¹ CBP Trade Statistics, available at <u>https://www.cbp.gov/newsroom/stats/trade</u> (last visited 12/19/2020).

² 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.").

³ 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).

However, the development of a comprehensive China strategy, the opening of markets to U.S. goods and services, the enforcement of U.S. trade agreements, and a meaningful review of the negative impact tariffs have had on American families, workers, and businesses – all of which will help provide certainty and support a successful U.S. economic recovery – cannot happen without a confirmed U.S. Trade Representative in place.

Ms. Tai is eminently qualified to craft a comprehensive, thoughtful, and strategic approach to U.S. trade policy that helps fuel a successful economic recovery for American families, workers, and businesses. We urge the Senate Finance Committee to advance Ms. Tai's nomination expeditiously, and we urge the full Senate to vote on her confirmation without delay.

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) American Association of Port Authorities American Bakers Association American Bridal & Prom Industry Association (ABPIA) American Chemistry Council American Coatings Association, Inc. (ACA) American Down and Feather Council American Fly Fishing Trade Association American Home Furnishings Alliance American Lighting Association American Petroleum Institute American Pyrotechnics Association American Rental Association American Specialty Toy Retailing Association American Wind Energy Association Arizona Technology Council Arkansas Grocers and Retail Merchants Association Association For Creative Industries Association for PRINT Technologies Association of Equipment Manufacturers (AEM) Association of Home Appliance Manufacturers

Auto Care Association Beer Institute BSA | The Software Alliance California Retailers Association Can Manufacturers Institute Carolina Loggers Association Chemical Industry Council of Delaware (CICD) Coalition of New England Companies for Trade (CONECT) Coalition of Services Industries (CSI) Colorado Retail Council Columbia River Customs Brokers and Forwarders Assn. **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** 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 Michigan Retailers Association (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 Internet 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

Minnesota Retailers Association Missouri Retailers Association Motor & Equipment Manufacturers Association Motorcycle Industry Council NAPIM (National Association of Printing Ink Manufacturers) 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 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 New Jersey Retail Merchants Association North American Association of Uniform Manufacturers and Distributors (NAUMD) North Carolina Retail Merchants Association Ohio Council of Retail Merchants Outdoor Industry Association Pacific Coast Council of Customs Brokers and Freight Forwarders Assns. Inc. Pennsylvania Retailers' Association **PeopleforBikes** Personal Care Products Council Pet Industry Joint Advisory Council Petroleum Equipment & Services Association Plumbing Manufacturers International Power Tool Institute (PTI) Promotional Products Association International Recreational Off-Highway Vehicle Association Retail Association of Maine Retail Council of New York State

Retail Industry Leaders Association Retailers Association of Massachusetts RISE (Responsible Industry for a Sound Environment) San Diego Customs Brokers and Forwarders Assn. **SEMI** Semiconductor Industry Association (SIA) **Snowsports Industries America** Society of Chemical Manufacturers & Affiliates Software & Information Industry Association (SIIA) South Dakota Retailers Association Specialty Equipment Market Association Specialty Vehicle Institute of America Sports & Fitness Industry Association TechNet **Telecommunications Industry Association** (TIA)

CC: Senate Finance Committee Members

Texas Retailers Association Texas Water Infrastructure Network The Airforwarders Association The Fertilizer Institute The Hardwood Federation The Toy Association Travel Goods Association 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)