AMERICANS FOR FREE TRADE

November 5, 2020

The Honorable Robert E. Lighthizer United States Trade Representative 600 Seventeenth Street, N.W. Washington, D.C. 20508

Dear Ambassador Lighthizer:

On behalf of the Americans for Free Trade coalition, we write to urge the Office of the U.S. Trade Representative (USTR) to move expeditiously to extend exclusions for products covered by the Section 301 China tariffs before they expire on December 31, 2020. Doing so would provide certainty for American businesses already struggling with the economic fallout from COVID-19 and avoid doing additional harm to the U.S. economy.

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, powersports manufacturers, importers, exporters, and other supply chain stakeholders. Collectively, we support tens of millions of American jobs through our vast supply chains.

While we continue to advocate for the full elimination of the Section 301 tariffs, we recognize the important role that the product exclusion process has played in alleviating the burden of additional tariffs for some American businesses. So long as Section 301 tariffs remain in place, having a predictable, fair, and transparent product exclusion process is vital to creating a modicum of certainty for American businesses. That certainty, however, is in jeopardy as all remaining product exclusions are set to expire at the end of this year. As American businesses continue to recover from the COVID-19 pandemic, they should not have to face the uncertainty of tax increases on January 1 because of a reimposition of tariffs on previously excluded products. It remains unclear whether USTR intends to offer additional product exclusion extension opportunities for the remaining exclusions. We believe it is crucial for USTR to do so.

More specifically, we urge USTR to automatically extend existing product exclusions for at least six months. This move would be welcome news to the American businesses, workers, consumers, and farmers who have paid nearly \$60 billion in taxes to the federal government in the form of tariffs since the trade war with China began. It would also provide certainty for American businesses trying to recover from the economic harm caused by the COVID-19 pandemic. Alternatively, we urge USTR to issue a Federal Register Notice announcing a new public comment period to extend expiring exclusions as soon as possible. This should also include an opportunity to submit comments for products covered by exclusions that were not extended by USTR earlier this year.

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Extending product exclusions is a straightforward and efficient way for the administration to provide certainty and relief to American businesses during this difficult economic time. Until the Section 301 tariffs are fully eliminated, we urge USTR to maintain a robust, predictable, and transparent product exclusion process.

Thank you for your consideration of this request.

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 American Publishers 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** 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**

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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 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 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

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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 **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)

Texas Retailers Association Texas Water Infrastructure Network The Airforwarders Association The Fertilizer Institute The Hardwood Federation The Toy Association The Vinyl Institute 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** 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)

CC: Secretary Steven Mnuchin, U.S. Department of Treasury Secretary Wilbur Ross, U.S. Department of Commerce Secretary Sonny Perdue, U.S. Department of Agriculture Director Larry Kudlow, National Economic Council of the United States Members of Congress