

AMERICANS FOR FREE ★ TRADE

January 29, 2021

Dear [Representative][Senator],

Congratulations on becoming a Member of the 117th Congress. We appreciate your dedication to public service and your willingness to make a difference in the lives of everyday Americans.

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, including many of your constituents, through our vast supply chains.

The 117th Congress is beginning during a period of unprecedented difficulty and uncertainty for American families and American businesses. 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, especially during a resurgence of cases and new restrictions on business operations, they need as much certainty as possible. That certainty can be provided in a number of 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 up 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 \$85 billion¹ in additional tariffs. These tariffs 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. Tariffs are taxes. They have created tremendous uncertainty and financial pain for American families, American workers, and American businesses.

As the 117th Congress considers bold new measures to address the ongoing public health and economic crises, we urge Members 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

¹ CBP Trade Statistics, available at <https://www.cbp.gov/newsroom/stats/trade> (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).

include a request to the independent, bipartisan U.S. International Trade Commission to conduct 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 the appropriate committees of jurisdiction to examine the effectiveness of the tariffs and the section 301 product exclusion process administered by the Office of the U.S. Trade Representative (USTR).

As the 117th Congress conducts these important oversight activities, we also ask that Members urge USTR to take the following immediate actions:

- Reinstatement of 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;
- Improvement of the section 301 process to ensure it is administered in a fair, transparent, and predictable manner;
- Automatic extension of all section 301 product exclusions for COVID response items so that American families and businesses can get the personal protective equipment, cleaning equipment, and manufacturing inputs they need to respond to the ongoing public health emergency;
- Resolution of ongoing trade disputes through targeted actions and concerted bilateral engagement that reduces trade barriers and opens markets for American exporters – not one that imposes additional burdens on American businesses, American workers, and American families through tariffs and closes 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.

If you have any questions about the AFT coalition, please visit our website at www.americansforfreetrade.com or email us at info@americansforfreetrade.com.

Sincerely,

AFT Member Trade Associations List