



February 1, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell:

The undersigned associations representing those who design, make, market, and sell clothes, shoes, travel goods, and accessories in the United States greatly appreciate the swift actions already taken by Congress and the Administration to address the COVID-19 pandemic.

In an effort to slow the spread of COVID-19, our members suspended/limited operations in line with global health guidelines to protect their workers and consumers. Additionally, these same members repurposed facilities, factories, and supply chains to produce and quickly distribute personal protective equipment (PPE) and other urgently needed medical materials.

We appreciate the recent stimulus measures, however there are several other opportunities to help the retail and manufacturing sector. Today, we urge you to take additional steps as part of the next COVID-19 stimulus package, currently under consideration in Congress.

We implore you to include the following five provisions to keep the country open and keep Americans working:

Trade Credit Insurance

Because of the immense risk and uncertainty the pandemic has generated in the economy, access to trade credit insurance, a critical facility for cash flow in the industry, has dried up. We recommend provisions that authorize the creation of a federally backed short-term facility (or facilities) to backstop the trade credit insurance industry. Such a backstop will enable the thousands of small businesses who depend on trade credit insurance to stay in business and participate in the safe restart of our economy.

Legal Liability Protection

As we reopen the country, it is imperative that the next stimulus package include limited legal liability protection related to the COVID-19 pandemic to safeguard businesses, schools, healthcare providers, and others from unfair lawsuits. Otherwise, a proliferation of unfair lawsuits, for circumstances beyond our members' control, could cripple any economic recovery.

Return to Work Incentives

Companies are finding it difficult to bring workers back during the pandemic. Incentives to get Americans back to work would benefit workers and companies alike.

Healthy Workplaces Tax Credit

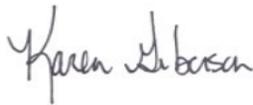
Companies are retrofitting stores, offices, distribution centers, and factories to accommodate the installation of protective equipment and purchasing significant quantities of personal protective equipment (PPE) to keep employees and customers safe and healthy. As Congress seeks to ensure that workplaces are safe, we recommend tax credits to support these investments as they are critical to protecting workers and consumers alike.

Duty Drawback for Charitable Donations

We support provisions that would provide companies duty drawback for charitable donations. Such provisions would encourage companies that are overwhelmed by excess inventory due to the pandemic to donate merchandise to charity by enabling them to recoup import duties already paid on the donated product. Currently, duty drawback, or recouping duties already paid, is only available to companies if they destroy the merchandise, the last thing we need as both companies and families struggle. Creating such a provision would be a win-win, enabling companies to unlock much needed funds currently trapped in the surplus inventory created by the crisis, while at the same time helping Americans negatively impacted by the pandemic with donations of clothes and shoes they need for themselves and their families.

Thank you again for all that you are doing during this difficult time, and for considering these additional policy recommendations.

Sincerely,



Karen Giberson
President and CEO
Accessories Council



Steve Lamar
President and CEO
American Apparel & Footwear Association



Steven Kolb
Chief Executive Officer
Council of Fashion Designers of America



Michele Marini Pittenger
President and CEO
Travel Goods Association

The **Accessories Council** is a not-for-profit, international trade organization established in 1994. Our mission is to stimulate global consumer awareness and demand for fashion accessory products. We serve the industry globally which generates over \$50.8 billion dollars annually in the United States alone. Over the past 25 years, membership has grown internationally to include over 330 companies and organizations, representing the world's leading brand names, designers, publications, retailers, and associated providers for the accessories, eyewear, and footwear industries. The Accessories Council sponsors educational seminars, networking events, seasonal trend reports, marketing & advertising co-op initiatives, design & marketing awards for area fashion students, our exciting annual silent auction, social media events, and the esteemed black-tie ACE Award Gala, an annual tribute to the leaders of the accessory industry.

The **American Apparel & Footwear Association (AAFA)** is the national trade association representing apparel (including legwear), footwear and other sewn products companies, and their suppliers, which compete in the global market. Representing more than 1,000 world famous name brands, we are the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its nearly four million U.S. workers, and its contribution of more than \$400 billion in annual U.S. retail sales.

The **Council of Fashion Designers of America, Inc. (CFDA)** is a not-for-profit trade association founded in 1962 with a membership of 477 of America's foremost womenswear, menswear, jewelry, and accessory designers. Pillars include Diversity, Equity, and Inclusion through the IMPACT initiative, as well as Sustainability in Fashion. The organization provides its Members with timely and relevant thought-leadership and business development support. Emerging designers and students are supported through professional development programming and numerous grant and scholarship opportunities. In addition to hosting the annual CFDA Fashion Awards, the organization owns the Fashion Calendar, is the organizer of the Official New York Fashion Week Schedule, and recently launched RUNWAY360. The CFDA Foundation, Inc. is a separate, not-for-profit organized to mobilize the membership to raise funds for charitable causes and engage in civic initiatives.

The **Travel Goods Association (TGA)** is the national organization that represents the manufacturers and retailers of travel products. Comprising a \$31.2 billion-a-year industry, travel goods include luggage, casual bags, computer cases, backpacks, handbags and travel accessories – those items consumers use every day while traveling to work, across campus or around the world. TGA is the organizer and sponsor of The Travel Goods Show, the largest annual exhibition of travel products in the world.