

# AMERICANS FOR FREE ★ TRADE

May 2, 2022

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

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

**RE: Support Senator Toomey Motion to Instruct to Include on Section 301 Product Exclusions Process (Section 73001)**

Dear Majority Leader Schumer and Republican Leader McConnell,

On behalf of the undersigned members of Americans for Free Trade, we are writing to **express strong support** for the Motion to Instruct proposed by Senator Pat Toomey (R-PA) to include Section 73001 as included in the U.S. Innovation and Competition Act (USICA) ([S. 1260](#)). This was included as part of the Trade Act of 2021 which received a 91-4 vote as an amendment to USICA. The provision will reinvigorate the exclusion process administered by the Office of the U.S. Trade Representative (USTR) for products subject to additional tariffs under Section 301 of the Trade Act of 1974.

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 U.S. companies continue to recover from the global pandemic, they are now facing ongoing supply chain disruptions and rising inflation. We continue to call upon the administration to resolve the ongoing trade war with China to help ease these challenges. To date, U.S. Customs and Border Protection has collected over [\\$134 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 risk exacerbating increasing inflation. They are a financial burden on U.S. businesses – negatively impacting their ability to invest in their companies, hire more American workers, and remain competitive globally.

We continue to call for an end to the China Section 301 tariffs – including China’s retaliatory tariffs – that have had a disproportionate economic impact on American companies, consumers, and workers and that have failed to change China’s unfair trade practices. But until the tariffs are lifted, we believe reinstating the Section 301 exclusion process for all covered products is critical to providing interim relief for 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.”

Section 73001 of USICA would alleviate the economic burden on American businesses and consumers by immediately reinstating product exclusions that expired throughout 2020 – in the middle of the pandemic and economic recession – through December 31, 2022. It would also require USTR to implement a new product exclusion process and outlines specific criteria for USTR to consider in determining whether to grant an exclusion. Under these criteria, the exclusion process will function in a fair, consistent, and transparent manner and ensure that American businesses do not suffer disproportionate economic harm as a result of the tariffs.

USTR has thus far failed to act independently – as Section 301 authorizes it to do. USTR recently provided an exclusion process, but this process was limited to a small amount of expired exclusions and did not provide full retroactivity for the exclusions that were reinstated. While these reinstated exclusions are an important first step, a more robust process is needed to provide meaningful relief. This view is shared by at least [141 bipartisan House members](#) and [41 bipartisan Senators](#) who recently wrote to Ambassador Tai urging USTR to open a broader exclusions process. Yet, USTR refuses to act. We therefore urge the Senate to support the Motion to Instruct to include Section 73001 in a final conferenced Bipartisan Innovation Act.

We look forward to working with Congress and the Administration to address the ongoing negative impact of the tariffs on American businesses, American workers, and American consumers by fully lifting the Section 301 tariffs. Reinstating a fair, transparent, and retroactive exclusion process will provide targeted tariff relief for, U.S. businesses, helping them overcome current economic and supply chain disruptions and enabling them to invest in their businesses and workers here at home.

Thank you for your consideration.

Sincerely,

Accessories Council	American Coatings Association, Inc. (ACA)
ACT   The App Association	American Down and Feather Council
Agriculture Transportation Coalition (AgTC)	American Fly Fishing Trade Association
ALMA, International (Association of Loudspeaker Manufacturing and Acoustics)	American Home Furnishings Alliance
American Apparel & Footwear Association (AAFA)	American Lighting Association
American Association of Exporters and Importers (AAEI)	American Petroleum Institute
American Association of Port Authorities	American Pyrotechnics Association
American Bakers Association	American Rental Association
American Bridal & Prom Industry Association (ABPIA)	American Seed Trade Association
American Chemistry Council	American Specialty Toy Retailing Association
American Clean Power Association	American Trucking 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  
 Business Alliance for Customs Modernization  
 California Bottled Water Association  
 California Retailers Association  
 Can Manufacturers Institute  
 Central States Bottled Water Association  
 Chemical Industry Council of Delaware  
 (CICD)  
 Coalition of New England Companies for  
 Trade (CONNECT)  
 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  
 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  
 Michigan Chemistry Council  
 Michigan Retailers Association  
 Mid-America Bottled Water 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 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)  
 North American Association of Uniform Manufacturers and Distributors (NAUMD)  
 North Carolina Retail Merchants Association  
 Northeast Bottled Water Association  
 Northwest Bottled Water 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 Advocacy Network  
 Pet Food Institute  
 Plumbing Manufacturers International  
 Power Tool Institute (PTI)  
 PRINTING United Alliance  
 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)  
 RV Industry Association  
 San Diego Customs Brokers and Forwarders Assn.  
 SEMI  
 Semiconductor Industry Association (SIA)  
 Snowsports Industries America  
 Software & Information Industry Association (SIIA)  
 South Atlantic Bottled Water Association  
 South Dakota Retailers Association  
 Southeast Bottled Water Association  
 Specialty Equipment Market Association  
 Specialty Vehicle Institute of America  
 Sports & Fitness Industry Association  
 TechNet  
 Telecommunications Industry Association (TIA)  
 Texas Water Infrastructure Network  
 The Airforwarders Association  
 The Fertilizer Institute  
 The Hardwood Federation  
 The Toy Association  
 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  
 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)