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COMMITTEE ON APPROPRIATIONS WASHINGTON, DC 20510-6025 http://appropriations.senate.gov

December 10, 2020

The Honorable Robert Lighthizer Office of the U.S. Trade Representative 600 17<sup>th</sup> Street, NW Washington D.C. 20508

Dear Ambassador Lighthizer:

Our country must continue to take steps to counter the threat posed by China to the rules-based system of international trade that underpins the global economy. But those efforts must be carefully calibrated and targeted so as not to disrupt domestic supply chains or cause inadvertent harm to U.S. firms, particularly for products related to national security or pandemic response.

While we continue to question the use of Section 301 of the Trade Act of 1974 as a blunt instrument to curb China's unfair trade practices, we appreciate the administration's willingness to help mitigate potential harm to U.S. firms by implementing a process through which they may request exclusions from tariffs for certain imported products.

Many of those exclusions, however, stand to expire at the end of this year, injecting risk and uncertainty into the U.S. economy at a time when we can least afford it. If these tariffs are allowed to snap back into place for products that were previously excluded, it would represent a precipitous and immediate increase in costs for firms that rely on these inputs to add value to products manufactured here at home.

In order to prevent this outcome, we respectfully ask that you extend through December 31, 2021, those exclusions from Section 301 tariffs that are set to expire December 31, 2020. We believe this action will provide stability for U.S. firms as they navigate this challenging period.

Sincerely,

Jerry Moran

Jerry Moran Chairman Subcommittee on Commerce, Justice, Science and Related Agencies

Seanne Shaheer

Jeanne Shaheen Vice Chair Subcommittee on Commerce, Justice, Science and Related Agencies