



AmericanCoatings
ASSOCIATIONSM

March 27, 2023

The Honorable Ron Wyden
Chair, Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member, Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Re: Hearing on the Biden Administration's 2023 Trade Policy Agenda with United States Trade Representative, Ambassador Tai on March 23, 2023 from American Coatings Association, Inc. (Heidi K. McAuliffe, Vice President of Government Affairs)

Dear Chairman Wyden and Ranking Member Crapo:

As you evaluate testimony from U.S. Trade Representative, Ambassador Katherine Tai on the Administration's 2023 Trade Policy agenda, the American Coatings Association (ACA) and the more than 315,000 employees in the paint and coatings industry, would like to highlight the importance of the "Miscellaneous Tariff Bill" (MTB) package. The MTB process has been stalled too long, and ACA urges Congress to take legislative action on the MTB package.

ACA is the premier trade association dedicated to advancing the interests of the coatings industry and represents paint and coatings manufacturers, suppliers, distributors, and technical professionals. Many of today's paints and coatings may

go unnoticed by the consumer, but they play immeasurably valuable roles in delivering high-quality foodstuffs, durable goods, housing, furniture and thousands of other products to market.

As you know, the MTB will temporarily eliminate and reduce border taxes on a set of products that have been found through a transparent and rigorous process at the U.S. International Trade Commission (USITC) to not to be produced at all or in sufficient capacity in the United States. Many raw materials used in paint and coatings formulas are produced solely outside of the United States. Without passage of the MTB, American consumers will pay directly and/or indirectly hundreds of millions of dollars each year in government-imposed import taxes on products not made or available in the United States, including those needed by the paint industry.

Based on analyses by the National Association of Manufacturers, the MTB would eliminate import tariffs of more than \$1.5 billion over three years (with full retroactivity to January 2021), bolstering manufacturers and other businesses in the United States, especially small and medium-sized manufacturers. This tariff relief translates into U.S. economic growth, as shown by the USITC, which reported that tariff relief under the previous MTB boosted U.S. GDP annually by as much as \$3.3 billion and output annually by as much as \$6.3 billion.

Thank you in advance for your consideration of this request. Should you or your staff have any questions or require additional information, do not hesitate to contact me at hmcauliffe@paint.org.

With Kind Regards,



Heidi K. McAuliffe
Vice President, Government Affairs