



AmericanCoatings
ASSOCIATIONSM

March 27, 2023

The Honorable Jason Smith
Chair, Ways and Means Committee
United States House of Representatives
1139 Longworth House Office Building
Washington, DC 20515

The Honorable Richard Neal
Ranking Member, Ways and Means Committee
United States House of Representatives
1129 Longworth House Office Building
Washington, DC 20515

Re: Hearing on the Biden Administration's Trade Policy 2023 with United States Trade Representative, Ambassador Tai on March 24 from American Coatings Association, Inc. (Heidi K. McAuliffe, Vice President of Government Affairs)

Dear Chairman Smith and Ranking Member Neal:

As you evaluate U.S. Trade Representative, Ambassador Tai's testimony on the Administration's 2023 Trade Policy, the American Coatings Association (ACA) and the more than 315,000 employees in the paint and coatings industry, urge you to include the "Miscellaneous Tariff Bill" (MTB) package in the next legislative vehicle for passage. The MTB process has stalled too long and ACA urges Congress to take legislative action on the MTB package as soon as possible.

As you may know, 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 United States International Trade Commission (USITC) 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: According to the U.S. International Trade Commission, 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,

A handwritten signature in blue ink, reading "Heidi K. McAuliffe", enclosed in a thin black rectangular border.

Heidi K. McAuliffe
Vice President, Government Affairs