

Congress of the United States
Washington, DC 20515

January 21, 2010

The Honorable Ron Kirk
Ambassador
U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Kirk,

We are writing to ask for your confirmation that the Administration has established a system to monitor comprehensively the effects of the special tariff on imports of consumer tires from China, announced by the President on September 11, 2009 pursuant to section 421 of the Trade Act of 1974, as amended ("the Act"), by collecting data on each of the elements outlined below so that the President may review the decision six months after its effective date and subsequent to that time.

As you know, the Act provides for the U.S. International Trade Commission (ITC) and the Administration to review the impact of the tariff. We believe comprehensive monitoring is uniquely important in this case even beyond the statutory directive for several reasons. At the outset, because no U.S. producer of tires petitioned for the relief the President has provided, the ITC and the Administration should be particularly vigilant in monitoring its implementation. In addition, while we have not seen reports indicating that the tariff has created jobs, we have seen accounts of significant price increases in many areas of the country, including areas of predominantly lower income households. Moreover, there is anecdotal evidence of layoffs in the tire distribution and retail sectors.

It is, therefore, essential that the ITC and the Administration monitor the effects of the tariff not only on the domestic tire producers, but also on other domestic sectors, including distribution and retail, and on consumers. To that end, we strongly urge that the system put in place monitor changes in areas including, but not limited to: (i) U.S. production of the consumer tires subject to the tariff, including production of private brands and other entry level tires; (ii) changes in employment at U.S. tire production facilities related to the production of the subject tires; (iii) changes in consumer tire imports from countries other than China; (iv) retail price trends for domestic and imported tires, including specific price trends in low-income areas of the United States; (v) changes in employment levels in the tire distribution and retail sectors; and (vi) changes in the number of traffic accidents resulting from motorists driving on worn-out and unsafe tires.

The Honorable Ron Kirk
January 21, 2010
Page 2

We believe the Administration's obligations under the Act, as well as its responsibilities to the American people, require it to ensure that the consumer tire tariff, as applied, does not create an unreasonable or unnecessary burden on the U.S. economy and American consumers. Accordingly, we respectfully ask you to confirm that a comprehensive monitoring system, as outlined above, has been put in place and to report to us the categories of data being collected.

Sincerely,



DAN BOREN
Member of Congress



KEVIN BRADY
Member of Congress