New Process Begins Today To Provide Relief For U.S. Manufacturers

Dear Colleague:

Earlier this year, the House passed by an overwhelming bipartisan vote of 415-2 and the Senate passed by unanimous consent the bipartisan American Manufacturing Competitiveness Act (AMCA) of 2016. This new law will lower costs for American manufacturers who have had to pay expensive tariffs for certain products not made in the United States, unnecessarily increasing their costs and making them less competitive. The AMCA creates an open and transparent process to provide relief for such manufacturers through temporary duty suspensions and reductions, making it easier for them to sell their products, grow their businesses, create jobs, and invest in their communities. This new process is fully consistent with the letter and intent of all House Rules and related guidance.

The AMCA process commences today at the International Trade Commission (ITC), an independent, nonpartisan agency charged by the statute with conducting the petition process and making recommendations to Congress. Starting today, American businesses have until December 12, 2016, to file petitions at the ITC for a temporary duty suspension or reduction. Filing a petition at the ITC is the <u>only</u> way to pursue eligibility for this relief.

The <u>only</u> entities eligible to file petitions are members of the public who meet the definition of a "likely beneficiary" of the requested duty suspension or reduction. This term is defined in the statute as "an individual or entity likely to utilize, or benefit directly from the utilization of, an article that is the subject of a petition for a duty suspension or reduction."

After petitions are filed, the ITC will commence a public comment procedure in January 2017 and then will begin its evaluation.

In evaluating each petition, the ITC will determine whether it meets the following tests: (1) there is no objection by a "domestic producer" of the merchandise, as defined in the statute; (2) it is administrable; (3) the estimated loss in revenue does not exceed \$500,000 per calendar year; and (4) the benefit is available to any person importing the article. The ITC may make recommendations for technical corrections and modifications to a petition so that it meets these tests.

The ITC will then make its final recommendations to Congress, which are due in the summer of 2017. At that point, Congress may then consider legislation providing for tariff relief <u>only</u> for those petitions for which the ITC made a positive recommendation.

In the event that you receive inquiries from constituents, please refer them to the very thorough ITC website "MTB Info Page": https://www.usitc.gov/mtbinfo.htm. This page contains the links to file a petition, a handbook on filing procedures, a "Before You File" manual, and answers to frequently asked questions. In addition, the page contains the portal required by the enhanced transparency requirements of the new statute to allow the public to follow the process

in detail, including access to all petitions, public comments, and ITC report. Finally, the Ways & Means website contains further information: http://waysandmeans.house.gov/competitive/.

Should you have additional questions, please have your staff contact Lila Nieves-Lee (<u>Lila.Nieves-Lee@mail.house.gov</u>; 5-6649) with Chairman Brady's Committee staff or Keigan Mull (<u>keigan.mull@mail.house.gov</u>; 5-4021) with Ranking Member Levin's Committee staff.

Sincerely,

KEVIN BRADY SANDER LEVIN Chairman Ranking Member

Committee on Ways and Means Committee on Ways and Means

DAVID G. REICHERT CHARLES B. RANGEL

Chairman Ranking Member

Subcommittee on Trade Subcommittee on Trade