

Jessica Lemos

*Director, International Trade Policy
International Economic Affairs*

June 20, 2012

The Honorable David Camp
Chairman, House Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

Dear Chairman Camp:

The National Association of Manufacturers (NAM) hereby submits comments with regard to the Miscellaneous Tariff Bill (MTB) process that has been initiated in the House of Representatives. We write to highlight the importance of the MTB to manufacturing, jobs, and consumers in the United States.

The NAM strongly supports passage of a MTB in the House of Representatives and in the Senate no later than December 31st of this year. All existing duty suspensions on over 600 products are set to expire at the end of the 112th Congress, on December 31, 2012.

For three decades, Congress has supported manufacturing in America by suspending import taxes on necessary manufacturing inputs that are not available in the United States and must be imported from other countries.

Passage of the MTB is vital to avoid the re-imposition of import taxes on these essential manufacturing inputs which are unavailable in the United States. In addition, several hundred new duty suspension requests have been submitted to the House and Senate to be vetted. Passage of these new duty suspensions will result in lower taxes for manufacturers in the United States. We strongly urge the House and Senate to pass a MTB that extends the existing duty suspensions and provides for duty suspensions on new requests that meet the eligibility requirements.

A 2011 NAM report indicates that the costs of manufacturing in America are already 20 percent higher than in our major competitor countries. It is critical that Congress not burden our manufacturers with additional costs, as doing so could cause further job losses in a sector that is trying to recover from one of the worst economic recessions in our history. MTB legislation must be passed prior to the expiration of all temporary duty suspensions at the end of 2012, or the import taxes paid by American manufacturers will increase and their production costs will rise.

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The MTB is one of the most important short-term actions Congress can take to preserve and create good jobs in America, cut the costs of doing business in this country, boost our manufacturing competitiveness, and increase our manufacturing exports. Manufacturers in the United States – large and small – use the MTB's tariff suspension provisions to obtain raw materials, inputs, and other products that are not available in this country. Without these tariff suspensions, companies must pay duties on these imported products – which would be a tax hike on manufacturing in America.

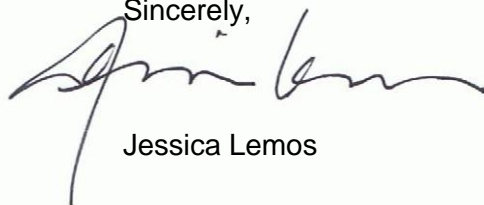
A widely cited economic study estimated that the last MTB package passed by Congress supported approximately 90,000 American jobs, increased U.S. production by roughly \$4.6 billion, and expanded U.S. GDP by about \$3.5 billion. Our economy simply cannot afford to let the MTB expire. Congress must act to support this policy which has supported economic growth and job creation.

Companies in the United States rely on the MTB to reduce the costs of their imported intermediate products and materials, which in turn enhances their competitiveness in the global marketplace. Without the MTB, the cost of these companies' products will inevitably increase, making them less competitive.

Few bills give Members of Congress such a clear opportunity to support manufacturing jobs in America. We strongly urge support for passage of the MTB by the end of this year.

Thank you for your attention to and consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessica Lemos', is written over a light green rectangular background.

Jessica Lemos