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June 28, 2019

Ambassador Robert Lighthizer United States Trade Representative 600 17<sup>th</sup> Street NW Washington, DC 20508

**RE:** Section 301: China's Acts, Policies, and Practiced Related to Technology Transfer, Intellectual Property, and Innovation (Docket USTR-2019-0004)

Dear Ambassador,

ISSA, the worldwide cleaning industry association, appreciates the opportunity to comment on the United States Trade Representative's (USTR) proposed tariffs of up to 25 percent on \$300 billion of Chinese goods and inputs following the "Section 301: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation" investigation.

ISSA is the leading trade association for the cleaning industry worldwide representing more than 9,300 distributor, manufacturer, manufacturer representative, building service contractor, inhouse service provider, residential cleaning, and associated service members.

ISSA is deeply concerned about the negative impacts the tariffs are having on the cleaning industry, employees, and consumers. These tariffs are not just affecting manufacturers of cleaning products but also the entire supply chain of the cleaning industry. According to research by the New York Federal Reserve Bank, the combined cost to consumers in the United States from the China tariffs is estimated at US\$106 billion per year or \$831 per consumer.

Our goods and services play an integral part in the stability of our economy and the health and safety of American people, yet due to the ever-intertwining international supply chain, the imposition of tariffs on China is greatly impacting our industry in America. According to a survey of our members more than 50% said tariffs are an important issue to them.

The tariffs are already imposing substantial adverse economic burdens on our member companies, and ultimately on the rest of the economy. This includes the taxation of imported inputs and intermediate parts for the U.S.-based production process of finished goods such as mops, buckets, brushes, brooms, and dust pans. Faced with higher costs for these essential components, our member companies will be less price competitive than our foreign counterparts, resulting in less domestic production, fewer jobs, and decreased capital investment. One of our

members reported having to lay of 17% of their workforce while also experience 12% drop in net profit due to the tariffs that have already been in place.

In turn, costs will increase for commercial and institutional customers such as hospitals, nursing homes, K-12 schools, and food-processing establishments—compromising the safety and health of our children, the elderly, and other vulnerable populations.

ISSA supports a comprehensive trade deal that that addresses the unfair trade practices of China, protects intellectual property, eliminates tariffs, and provides a level-playing field. We are concerned that the continuation of these tariffs could increase costs throughout the supply chain, making cleaning and sanitizing facilities such as hospitals, schools, and offices more expensive and thus compromising the ability of many facilities to maintain safe and sanitary conditions.

As previously stated, cleaning goods and services play an integral part in the stability of our economy and the health and safety of American people. As a result, we request that the following Harmonized Tariff Schedule Codes be exempted from the proposed tariffs:

3924.90.5650	Dispensers, Plastic, Manual, Toilet Paper
3924.90.5650	Dispensers, Plastic, Manual, Towel Paper
3924.90.5650	Dust Pans, Plastic
3924.90.56	Other household articles of plastics
3926.90.10	Buckets and pails, of plastics, nesoi
3401.19.0000	Soap & other organic surf-act products, not for toilet use, in barbs, cakes, molded pieces; soap-impregnated paper, wadding, felt, not for toilet use
5504.10.00	Artificial staple fibers, not carded, combed or otherwise processed for spinning, of viscose rayon
6307.10.20	Floor cloths, dishcloths and similar cleaning cloths of textile materials (except dustcloths, mops cloths and polishing cloths of cotton)
8479.89.6500	Dispenser, Towel, Automatic, Hands- Free, Plastic, Wall Mount, Blk
8479.90.41	Parts of floor polishers of subheading 84798920; parts of carpet sweepers
8509.80.50	Electromechanical domestic appliances nesoi, with self-contained electric motor.
9603.29.4090	Shaving brushes, hair brushes, nail brushes, eyelash and other toilet brushes

9603.90.80	Brooms & brushes nesoi, mops, hand-
	operated mechanical floor sweepers, not
	motorized, mops and feather dusters;
	prepared knots and tufts for broom or
	brush making; paint pads and rollers;
	squeegees (other than roller squeegees)
9617.00.10	Vacuum flasks and vessels, complete with
	cases, w/capacity n/o 1 liter
9617.00.40	Vacuum flasks and vessels, complete with
	cases, w/capacity o/2 liter
9617.00.30	Vacuum flasks and vessels, complete with
	cases, w/capacity o/1 liter but n/o 2 liters

Respectfully,

John Nothdurft

Director of Government Affairs