

The Honorable Paul Ryan Speaker U.S. House of Representative Washington, DC 20515 February 12, 2018

The Honorable Nancy Pelosi Democratic Leader U.S. House of Representatives Washington, DC 20515

**RE:** Support GSP Renewal (H.R. 4979)

Dear Speaker Ryan and Democratic Leader Pelosi:

On behalf of the National Retail Federation (NRF), I am writing to you today to urge your support for H.R. 4949 which will retroactively renew the Generalized System of Preferences (GSP) program. It is critical that this program is retroactively renewed as soon as possible since American companies are already feeling the effects of the programs expiration in the form of higher duties.

GSP has always enjoyed strong bipartisan support in Congress. The program is not only critical to helping lesser-developed countries, but it also helps benefit American families, workers, and businesses. It permits American companies, including retailers, to lower costs by importing a wide variety of inputs and finished goods, duty-free, from designated developing countries. These lower costs enhance both U.S. and foreign companies in very poor countries to grow their businesses and support employment. For American retailers, millions of dollars of duty-savings are passed on to American families through lower prices. The economic growth the program promotes in beneficiary countries is important to U.S. foreign and security interests around the globe.

With the expiration of GSP on December 31, 2017, U.S. companies, many of them small businesses, are now paying higher tariffs. The companies who rely on GSP have built out their supply chains several months in advance to make sure they are able to have a constant supply of the goods they need. The expiration of the program and uncertainty about renewal has impacted these companies' operations.

NRF urges you to support H.R. 4979 and will consider votes on, or in relation to, this legislation as Key Retail Votes for our annual voting scorecard. Thank you for your consideration.

Sincerely,

David French Senior Vice President

Government Relations

cc: Members, U.S. House of Representatives