



September 25, 2024

Chairman Ron Wyden
Senate Finance Committee
219 Senate Dirksen Office Building
Washington, DC 20510

Chairman Jason Smith
House Ways and Means Committee
1139 Longworth House Office Building
Washington, DC 20515

Ranking Member Mike Crapo
Senate Finance Committee
219 Senate Dirksen Office Building
Washington, DC 20510

Ranking Member Richard Neal
House Ways and Means Committee
1102 Longworth House Office Building
Washington, DC 20510

Dear Chairmen Smith and Wyden, and Ranking Members Crapo and Neal,

As many other organizations have already expressed, Section 321 de minimis entry is causing significant harm to U.S. manufacturers, retailers, and distributors, including those supplying the aftermarket recreation vehicle (RV) industry. We urge you to address this critical issue by the end of the year, as the existing law disproportionately benefits Chinese companies that are exploiting de minimis as loophole for Section 301 China tariffs, intellectual property rights and federal safety standards. Ultimately de minimis transfers substantial wealth away from the United States. The negative impact of the de minimis provision spans across numerous sectors of the U.S. outdoor recreation economy, as well as many other industries.

The Recreation Vehicle Industry Association (RVIA) is the principal trade association representing the \$140 billion U.S. RV industry. Our members include approximately 500 manufacturers, component suppliers, and aftermarket suppliers, accounting for 98% of all RVs produced domestically and approximately 61.5% of global production. The RV industry is a cornerstone of American manufacturing, directly employing nearly 700,000 Americans. We take pride in our industry's contributions to the U.S. economy and remain committed to expanding our investment in U.S. communities and workforce.

The RV sector is part of the broader outdoor recreation economy, which supports 5 million American jobs and contributes over \$1 trillion to the U.S. GDP, according to the Bureau of Economic Analysis. However, like many segments of the outdoor recreational economy, the RV industry has faced a downturn in recent times. A key factor contributing to the struggles of our aftermarket suppliers is the misuse of the de minimis provision by foreign competitors. Chinese companies are flooding the U.S. market with substandard products and fraudulent designs at unrealistically low prices, utilizing direct shipping from China or exploiting warehouses in Mexico

and Canada to leverage the de minimis trade laws. While Congress initially introduced this law with good intentions, the unintended consequences are now posing an existential threat to many American companies and industries. We urge Congress to address these issues without delay.

We recognize the two House bills — Representative Murphy’s End China’s De Minimis Abuse Act (H.R. 7979) and Representative Blumenauer’s Import Security and Fairness Act (H.R. 4148) — as positive, initial steps forward by making products and/or countries subject to Section 301 actions ineligible for de minimis. Eliminating this exemption, at least temporarily, will finally put RV aftermarket dealers on a level playing field with Chinese sellers who have escaped paying Section 301 duties on these products for far too long.

Additionally, the legislation put forth by Finance Chairman Wyden and the proposed rule released by the White House provide additional incremental progress by extending this ineligibility to import-sensitive items under the Generalized System of Preferences (GSP), such as textiles and apparel. While we support the exclusion of certain sectors like apparel from de minimis entry, **we strongly urge Congress to also exempt auto components, including aftermarket components for the RV industry.**

Lastly, we strongly support the provision within the White House’s proposal that would require products subject to Consumer Product Safety laws to provide electronic certification of meeting federally required safety standards, and hope that Congress will make explicit in a forthcoming legislative compromise that subject products without such certification cannot enter U.S. commerce.

We sincerely appreciate your consideration of this critical issue and look forward to collaborating with you to swiftly implement reforms to de minimis laws and GSP reauthorization. Time is of the essence, and the future of many American manufacturing, retail, and distribution jobs depend on prompt action.

Sincerely,

Jason Rano

Vice President Government Affairs

RV Industry Association