

July 15, 2021

The Honorable Joseph R. Biden  
President of the United States  
The White House  
Washington, DC 20500

**SUBJECT: Bi-Partisan Infrastructure Package Right for the Future / We Need More Action, & Relief, Now**

Dear Mr. President:

On behalf of the American Apparel & Footwear Association (AAFA), I am writing to express strong support for swift action on the bipartisan infrastructure package, which will make much needed investments in ports, rail, and roads to ensure that the American economy of tomorrow will continue to move and grow. The investments in the bi-partisan infrastructure package fix critical problems that, if not addressed, would eventually bring the American economy to a standstill. Further, the package is forward looking, by preventing future bottlenecks that could threaten our economic growth. Your leadership has brought the bi-partisan infrastructure package to this point. We look forward to working with you to bring the package over the finish line.

While it is important to take action now to bring about these long overdue and much needed long-term investments, immediate action is also needed now to resolve the acute shipping crisis we are currently experiencing. We detailed these concerns in a [June 15, 2021 letter](#) and take this moment to reiterate our urgent appeal for your help to provide relief.

The July 9, 2021 Executive Order directing the Federal Maritime Commission (FMC) to investigate practices in the shipping industry and assess how those are driving up freight costs is an important step in the right direction. However, more needs to be done and quickly. Without immediate action, and immediate relief, this dire situation will derail America's fragile economic recovery now, hitting American small businesses particularly hard. The rising inflation numbers drive home this looming threat.

AAFA is the national trade association representing apparel, footwear, and other sewn products companies, and their suppliers, which compete in the global market. Representing more than 1,000 world famous name brands, AAFA is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its nearly four million U.S. workers, and its contribution of more than \$400 billion in annual U.S. retail sales.

We need presidential leadership and involvement, in a whole-of-government approach, to bring an end to this crisis, which has set off a destructive cycle of lengthening delays and rocketing costs. The bipartisan infrastructure package is an important long-term investment, and we are pleased to partner with you and so many other stakeholders to see this legislation passed now so we can set our economy on a path of long-term growth. But even if quickly approved and signed into law, this bi-partisan infrastructure package won't address the immediate shipping crisis.

Therefore, I again urge you to bring all stakeholders to the table immediately to develop and implement both short-term and long-term solutions. Only when all stakeholders are forced to work together and lay everything on the table can we find a way out of the current crisis.

Further, aggressive enforcement of existing rules and regulations is also critical. While the July 9 Executive Order encourages the Federal Maritime Commission to consider further rulemaking and receive recommendations from the National Shippers Advisory Committee (NSAC) on detention and demurrage are both steps in the right direction, rulemaking takes time and the membership of the NSAC is not even in place yet. We need enforcement now, not later. And not only against the scourge of unfair and excessive detention and demurrage fees but also for breach of contract.

Finally, with costs spiraling out of control, companies, particularly small businesses, need help now. I urge you to take strides to offset these costs by immediately removing the biggest single cost on our industry – tariffs, including by ending the U.S. government’s punitive Section 301 tariffs on China and renewing the Generalized System of Preferences (GSP) program and the Miscellaneous Tariff Bill (MTB).

The latest inflation news is yet another sign that the shipping crisis is already infecting our economy. Brands and retailers need to get clothes and shoes to store shelves before the critical back-to-school and holiday shopping season but this is proving to be cost-prohibitive or sometimes impossible as runaway freight costs, clogged ports, and stranded container ships trip up our ability to meet growing consumer demand.

Your administration has done so much to bring this pandemic to an end and launch an economic recovery in the United States. And the investments contained in the bi-partisan infrastructure package will ensure our economic future. But today’s economy will stall, or could be reversed, if we do not take action now to resolve the shipping crisis.

Again, we applaud your leadership in negotiating the bi-partisan infrastructure package. We pledge to work with you to make this package a reality. But we also need your leadership now to untangle the shipping crisis and provide immediate tariff relief.

Thank you for your time and consideration in this matter. Please contact Nate Herman of my staff at [nherman@aafaglobal.org](mailto:nherman@aafaglobal.org) if you have any questions or would like additional information.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Steve Lamar', with a long horizontal flourish extending to the right.

Steve Lamar  
President & CEO

CC:           The Honorable Pete Buttigieg, U.S. Secretary of Transportation  
              Chair and Commissioners of the Federal Maritime Commission (FMC)  
              The Honorable Gina Raimondo, U.S. Secretary of Commerce  
              The Honorable Katherine Tai, U.S. Trade Representative  
              Members of the Senate Commerce, Science, & Transportation Committee  
              Members of the House Transportation & Infrastructure Committee  
              Members of the Senate Finance Committee  
              Members of the House Ways & Means Committee  
              Members of the Senate Small Business and Entrepreneurship Committee  
              Members of the House Small Business Committee