

**Motor & Equipment Manufacturers Association**

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March 18, 2020

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, D.C. 20510

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
Washington, D.C. 20510

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

The Motor & Equipment Manufacturers Association (MEMA) strongly supports the efforts of President Donald Trump and the U.S. Congress to stabilize our economy during the national crisis brought on by COVID-19. Motor vehicle suppliers applaud the recommendations on how to respond to this crisis from the U.S. Chamber of Commerce and the National Association of Manufacturers. MEMA is committed to working with all parties to pass legislation that will address the challenges facing our country.

As Congress deliberates, MEMA also urges you to address the liquidity crisis facing large and small vehicle parts manufacturers. Throughout the country, the manufacture, sale, and maintenance of motor vehicles and motor vehicle parts is the cornerstone of many communities, and motor vehicle suppliers are the leading indicator of a thriving economy. MEMA has seen estimates indicating that the current crisis will cause a year-over-year 19 percent decrease in U.S. automotive manufacturing with up to an 80 percent drop in global sales starting this month. Such a decrease will impact the entire country and any comprehensive economic relief package must provide protection for our essential manufacturing operations.

Therefore, MEMA urges you to include priorities that will provide a level of economic relief to these manufacturers, their workers, and the economy as a whole.

Specifically, we urge you to:

- Provide temporary relief from ongoing Section 232 and Section 301 tariffs through the remainder of 2020. This relief will provide an immediate influx of cash into large and small manufacturers allowing our members to use this revenue to provide for much needed assistance in their workplaces and to workers and their families. At a minimum, Congress should extend current Section 301 and Section 232 steel product exclusions for one year negating the necessity to reapply for any currently existing exclusions at this time. This will allow manufacturers to focus on the immediate crisis.
- Create a Manufacturing Emergency Assistance (MEA) grant program for U.S. manufacturers facing increasingly complex supply chains. This would allow manufacturers to keep the doors open, preserve jobs, and prevent bankruptcies in the vital manufacturing sector. The highest consideration would be given to grant applications to assist with medical countermeasures such as testing and temperature checks as well as other mitigation.
- Initiate a new federal Automotive Component Technology (ACT) grant program to explicitly encourage relocation to the U.S. of research, development and production of sophisticated transportation-related technologies and components. Over the last three years, the demands on the global supply chain have altered and suppliers are anxious to re-shore operations. ACT would



provide much needed stimulus to address these concerns and provide for a strong foundation for continuing and enhancing U.S. manufacturing.

Vehicle parts manufacturers are vital to America's economy, especially in times of crisis, ensuring safety vehicle, ambulances, police vehicles, health workers, shipping and local delivery vehicles have access to vehicle repair and maintenance components that allow them to serve the nation.

Our industry stands ready to work with Congress, the administration, and local and state governments to address public health, workforce, and economic issues facing our country during this crisis. Our manufacturing operations represent major employers throughout this country and the health and well-being of this industry is essential to American economy.

We look forward to working with you. For more information, please contact Ann Wilson, senior vice president of government affairs at (202) 312-9246 or [awilson@mema.org](mailto:awilson@mema.org).

Sincerely,

A handwritten signature in black ink that reads "Bill Long". The signature is written in a cursive, flowing style.

Bill Long  
President & CEO