

September 26, 2023

Honorable Gus Bilirakis
Chairman, Subcommittee on Innovation,
Innovation, Data, and Commerce
Committee on Energy and Commerce
U.S. House of Representatives
Washington, D.C. 20515

Honorable Jan Schakowsky Ranking Member, Subcommittee on Data, and Commerce Committee on Energy and Commerce U.S. House of Representatives Washington, D.C. 205105

Dear Chairman Bilirakis and Ranking Member Schakowsky:

On behalf of the Alliance for American Manufacturing (AAM) – a partnership between leading U.S. manufacturers and the United Steelworkers – we write to raise significant concerns with H.R. 5556, *Reinforcing American-Made Products Act* (Rep. Curtis).

- Contrary to the bill title, this proposal does not "reinforce" Made in USA labeling.
 Instead, it effectively eliminates state-level Made in USA labeling laws, regulations,
 and policies and places a dark cloud of uncertainty over state-level enforcement
 actions and consumers' rights. This risk of nationwide Made in USA labeling erosion
 vastly outweighs any uncertain benefits resulting from enactment which have not been
 clearly outlined.
- This legislation was first introduced in 2015 to address a California state labeling law that was stricter than the standard set by the Federal Trade Commission (FTC). However, that same year California adjusted its state statute with a numerical threshold designed to be aligned with that of the FTC. We have even heard compelling arguments that the new California law is weaker than the FTC's standard. Thus, this legislation is wholly unnecessary and appears to be a solution in search of a problem.
- Critically, H.R. 5556 would immediately make Made in USA labeling vulnerable to special interests who have long sought to undermine the (FTC's) "all or virtually all" standard. The FTC's standard would be the only remaining labeling policy nationwide and would, consequently, come under intense pressure by those seeking a weaker standard and loopholes. The standard is derived from Section 45(a) of the FTC Act and could be diluted through simple rulemaking if the makeup of the FTC changes and there are enough commissioners hostile to the policy.
- And, finally, while the bill as drafted ostensibly does not seek to limit state enforcement
 actions or a consumers' right of action, it is impossible to predict how its "savings
 provision" would be construed by a court. We are confident that entities opposed to
 Made in USA labeling enforcement would endeavor to challenge state actions or
 consumers' rights. Such an outcome would put consumers at risk of Made in USA



fraud without little recourse. Only recently has the FTC taken steps to strengthen its own enforcement tools for egregious first-time violations.

Any erosion of Made in USA labeling and enforcement would hurt American manufacturers and consumers, who place great value in a Made in USA claim because of its perceived association to and embodiment of distinctly American values. It is on one hand discouraging that "Made in USA" fraud persists. However, that this fraud persists underscores the value that a "Made in USA" label poses for manufacturers and marketers. We strongly urge that the subcommittee carefully consider the ramifications of any proposed changes to nationwide Made in USA labeling laws and enforcement.

We appreciate your attention to this matter and look forward to continued engagement on this issue.

Sincerely,

Scott N. Paul President

Alliance for American Manufacturing

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