

February 8, 2023

Dear Senator Menendez,

As we head into a new year and, more importantly, a new Congressional session, lawmakers like yourselves are using this time to finalize their legislative priorities. I am writing to you today on behalf of the New Jersey Gasoline, C-Store, Automotive Association (NJGCA) to ask that you make repealing the Section 232 tariffs on aluminum imports a priority this session.

NJGCA represents over a thousand small businesses in the gas station, convenience store, and automotive repair industries across our state. Our mission is to advocate on behalf of these industries for effective public policy solutions to industry specific issues, in addition to offering essential small business services for our members. Our association serves the small business that serves the motorist.

The reality is that the Section 232 tariffs on steel and aluminum were instigated by a president no longer in power, as a part of a trade war that is no longer relevant, will wind up hurting American *consumers* far more than America's rival nations. Steel and aluminum play a critical role in the automobile manufacturing industry, and as such, the imposed tariffs are directly driving up costs for the small businesses our organization is proud to represent.

To withstand the rising costs of auto parts, businesses will have to raise prices in order to attempt to continue turning a profit, or at the very least break even. New Jersey has been hit hard by inflation, with food prices <u>having risen 10%</u> and energy prices having risen 13% in 2022. Consumers may not be able to afford these raised prices in addition to the increased costs of everyday items, meaning some of New Jersey's small businesses will be forced to close their doors. This is compounded by the fact that foreign automobile parts manufacturers, who are not subject to these tariffs, are able to keep their prices stable, further contributing to small businesses being hurt.

Higher costs for auto repairs will also lead to fewer motorists, especially those with older vehicles and lower family incomes, properly maintaining their vehicles, thereby hurting road safety for themselves and all motorists.

Additionally, aluminum brings high quality jobs to New Jersey, with jobs supported by the aluminum industry paying an average salary of \$86,300 - which is nearly twice the state average salary of \$44,200. Keeping these tariffs may cause manufacturing plants to cut jobs, causing further harm to New Jersey's workers and its economy.

The Section 232 tariffs on aluminum only serve to raise prices for consumers and hurt the growth and stability of the automobile industry in New Jersey. Senator, on behalf of the small businesses which the NJGCA is proud to represent, we urge you to vote in favor of any and all legislation that serves to repeal these fault-ridden tariffs.

Sincerely,

ait May

Eric Blomgren Chief Administrator & Director of Government Affairs New Jersey Gasoline, C-Store, Automotive Association

