



March 5, 2018

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington DC 20510

In Support of S. 546, The American Soda Ash Competitiveness Act
For Inclusion in Fiscal Year 2018 Omnibus Appropriations Legislation

Dear Majority Leader McConnell:

On behalf of the Glass Packaging Institute (GPI), I am writing to express our **strong support for inclusion of legislative language from S. 546, The American Soda Ash Competitiveness Act, into the Fiscal Year 2018 Omnibus Appropriations bill.**

S. 546 calls for the reduction in the soda ash royalty rate from six percent to two percent, to ensure domestic soda ash remains competitive in the global marketplace.

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Collectively, the industry directly employs 18,000 Americans in glass container manufacturing and supplier industries.

Soda ash is a critical manufacturing input for the 28 billion glass bottles and jars produced domestically each year. Its use in glass container manufacturing plants lowers melt temperatures in furnaces, increases energy efficiency and reduces greenhouse gas emissions at glass bottle and jar plants.

The U.S. soda ash industry is significantly threatened by China, who produces synthetic soda ash and is the primary competitor to domestic soda ash production.

China currently provides their companies with a rebate on 9% of the 17% VAT, which equates to \$35 million annually in subsidies. The VAT rebate, combined with currency devaluation, provides Chinese soda ash companies with a \$30 per ton price advantage over domestic soda ash producers in the global marketplace.

U.S. manufacturers need the sought-after royalty rate reduction to fairly compete in the global marketplace and avoid market share losses, which have a direct impact on the domestic supply chain and its customers.

I respectfully ask that legislative text from the American Soda Ash Competitiveness Act be included in the Fiscal Year 2018 Omnibus Appropriations bill later this month.

Thank you for your thoughtful consideration of our request.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, looped initial "L".

Lynn M. Bragg
President