



May 30, 2018

The Honorable Tom Reed
US House of Representatives
2437 Rayburn House Office Building
Washington DC 20515

Dear Representative Reed:

On behalf of MACNY, The Manufacturers Association, I would like ask your consideration in sponsoring the Competitive Dollar for Jobs and Prosperity Act (CDJP Act). As you know, our members include 330 manufacturing and businesses across Central and Upstate New York. Our industrial company members have long been disadvantaged by the overvalued dollar as they market their products and services domestically and internationally.

We appreciate your leadership in Congress to promote the interests of New York manufacturers. We also appreciate President Trump's efforts to fix problems with international trade where American manufacturers are harmed. The Administration has long focused upon currency manipulation as a major problem. The CDJP Act will fix the currency issue over the long term.

The US dollar is, we believe, overvalued by at least 20% in relation to its trade balancing or competitive price. All MACNY members thus face import competition at artificially cheap prices while our exports are, essentially, taxed by 20%. This is a major problem impeding growth in our region and across the country. Countries with undervalued currencies – such as China, Japan, South Korea and Germany – grow their manufacturing and exports. We do not.

The CDJP Act would task the Federal Reserve with a third mandate – to achieve and maintain a current account balance. The Act would provide exchange rate management tools to achieve that goal. The first tool is the market access charge (MAC) which is a variable fee on excessive incoming capital flows that drive the dollar above its competitive price. The Fed would determine the MAC rate and change it over time to gently push the dollar to its competitive price and maintain it. The second tool is countervailing currency intervention which would allow the Fed to address foreign central bank manipulation of the dollar by engaging in counter intervention which would neutralize the foreign actions.

The US cannot reduce and eliminate the trade deficit without addressing the persistently overvalued dollar. MACNY members cannot achieve their full sales potential in domestic and international markets without fixing this problem. Therefore, we strongly urge you to support and sponsor the Competitive Dollar for Jobs and Prosperity Act. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Wolken". The signature is fluid and cursive, written over a light gray horizontal line.

Randy Wolken
President & CEO
MACNY, The Manufacturers Association



MANUFACTURERS ASSOCIATION OF CENTRAL NEW YORK

5788 Widewaters Parkway
Syracuse, NY 13214

Tel: 315-474-4201
Fax: 315-474-0524
www.macny.org

May 12, 2018

The Honorable Claudia Tenney
US House of Representatives
512 Cannon House Office Building
Washington DC 20515

Dear Representative Tenney:

On behalf of MACNY, The Manufacturers Association, I would like ask your consideration in sponsoring the Competitive Dollar for Jobs and Prosperity Act (CDJP Act). As you know, our members include 330 manufacturing and businesses across Central and Upstate New York. Our industrial company members have long been disadvantaged by the overvalued dollar as they market their products and services domestically and internationally.

We appreciate your leadership in Congress to promote the interests of New York manufacturers. We also appreciate President Trump's efforts to fix problems with international trade where American manufacturers are harmed. The Administration has long focused upon currency manipulation as a major problem. The CDJP Act will fix the currency issue over the long term.

The US dollar is, we believe, overvalued by at least 20% in relation to its trade balancing or competitive price. All MACNY members thus face import competition at artificially cheap prices while our exports are, essentially, taxed by 20%. This is a major problem impeding growth in our region and across the country. Countries with undervalued currencies – such as China, Japan, South Korea and Germany – grow their manufacturing and exports. We do not.

The CDJP Act would task the Federal Reserve with a third mandate – to achieve and maintain a current account balance. The Act would provide exchange rate management tools to achieve that goal. The first tool is the market access charge (MAC) which is a variable fee on excessive incoming capital flows that drive the dollar above its competitive price. The Fed would determine the MAC rate and change it over time to gently push the dollar to its competitive price and maintain it. The second tool is countervailing currency intervention which would allow the Fed to address foreign central bank manipulation of the dollar by engaging in counter intervention which would neutralize the foreign actions.

The US cannot reduce and eliminate the trade deficit without addressing the persistently overvalued dollar. MACNY members cannot achieve their full sales potential in domestic and international markets without fixing this problem. Therefore, we strongly urge you to support and sponsor the Competitive Dollar for Jobs and Prosperity Act. Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads 'Randy Wolken'. The signature is written in a cursive, flowing style.

Randy Wolken
President & CEO
MACNY, The Manufacturers Association