

April 8, 2025

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear President Trump,

As Members of the New Democrat Coalition, we write to express our deep concerns regarding your Administration's approach to trade policy, particularly the imposition of sweeping tariffs on imports that are already raising costs for American consumers and businesses, undermining American competitiveness, and creating uncertainty that is stifling business investment and threatening jobs.<sup>1</sup> We write on behalf of our constituents who were previously struggling to make ends meet and will now be forced to pay more for groceries, for new cars, for home appliances, and so much more. We can expect consumers to pause purchases, big and small, which will be a drain on our economy and diminish our children's future prospects.

When used thoughtfully, strategic and targeted tariffs can be a tool to protect American workers, ensure fair trade practices, and defend U.S. economic interests. Unfortunately, your latest announcement of capricious and sweeping universal and reciprocal tariffs undermines these goals, and in fact, moves us in the opposite direction. American workers, families, and businesses will pay the price.

Tariffs function as taxes on American consumers and businesses, raising the costs of goods and materials essential for domestic manufacturing and production. Industries that rely on global supply chains, including agriculture, technology, and manufacturing, have already reported higher costs due to the tariffs in addition to increased sourcing challenges—both factors that are leading to price increases for American consumers.<sup>2</sup> Many small businesses have made the difficult decision to pass these costs, which are a direct result of new tariffs, on to their customers and face significant challenges that will impact their ability to operate.<sup>3</sup> Additionally, retaliatory tariffs from our trading partners have further restricted market access for American products, uniquely harming exporters and rural economies that depend on foreign markets to sell world class products.

The unpredictability of your Administration's trade agenda, characterized by on-again, off-again tariffs imposed on our closest allies in violation of trade agreements that your own administration negotiated has created an environment of uncertainty for American businesses. Businesses of all sizes depend on certainty to thrive. That certainty comes in the form of policy continuity, a clear

<sup>3</sup> <u>https://www.wsj.com/business/entrepreneurship/small-businesses-are-running-out-of-moves-in-trumps-trade-war-7e060db4</u>

<sup>1</sup> 

https://budgetlab.yale.edu/research/fiscal-economic-and-distributional-effects-20-tariffs-china-and-25-tariffs-canada-and-mexico <sup>2</sup> https://www.wsj.com/economy/trade/trump-tariffs-steel-metal-products-80b5f289

regulatory framework, and an equitable and transparent system to resolve trade disputes. Absent this certainty, businesses cannot invest in innovation, American workers, or expanding their operations to international markets. Make no mistake, your Administration's trade agenda is slowing economic growth and job creation, weakening U.S. global leadership, and increasing the cost of doing business with the United States.

Rather than engaging in an erratic and unilateral tariff strategy, we urge you to pursue a strategic and sustainable approach that strengthens our alliances, upholds international trade rules, and ensures fair competition through robust enforcement mechanisms. We urge you to focus on bringing down prices and implementing policies that support U.S. manufacturing, build supply chain resilience, and strengthen relationships with our trading partners.

The Constitution clearly states that no president, Democrat or Republican, has the power to raise taxes on the American people without the consent of Congress. We call on your administration to engage in meaningful consultation with Congress to ensure that trade policy reflects the interests and values of the American people. Given the dire consequences of an escalating trade war, we underscore Congress's constitutional role in trade policy and respectfully request a meeting with the United States Trade Representative, Ambassador Jamieson Greer, to discuss your Administration's trade strategy. We urge your administration to focus on policies that advance American interests without burdening consumers, isolating our trusted trading partners, and harming U.S. global leadership.

Sincerely,

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Rep. Brad Schneider Chair New Democrat Coalition

Rep. Don Beyer U Chair, Trade and Tariffs Task Force New Democrat Coalition

CC:

Ambassador Jamieson Greer, United States Trade Representative Secretary Howard Lutnick, Department of Commerce Secretary Scott Bessent, Department of the Treasury Secretary Marco Rubio, Department of State

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Rep. Chrissy Houlahan Chair, Economic Growth and Cost of Living Working Group New Democrat Coalition