

November 9, 2023

The Honorable Joseph R. Biden, Jr. President of the United States The White House 1600 Pennsylvania Ave NW Washington, DC 20500

Dear President Biden,

As Members of the New Democrat Coalition (NDC) Trade Task Force, we share your commitment to a worker-centered trade agenda, which we believe is critical to realizing our shared vision to lower costs and grow the economy from the bottom up and the middle out. We write to share our Coalition's bold solutions to help advance a strong and proactive trade agenda that delivers resilient, sustainable, and inclusive growth for all Americans.

This Congress, the NDC Trade Task Force will continue its work to maintain the United States as a leader in the global marketplace and enact trade policies that will benefit American workers, consumers, growers and producers, and businesses. Being actively engaged in global trade allows us to lead geopolitically, grow our economy, expand opportunity, and export our goods, services, and values. The New Democrat Coalition was integral to the bipartisan engagement and support of the historic United States-Mexico-Canada Agreement (USMCA), which presents a model for pursuing an ambitious worker-centered trade agenda that delivers broad-based economic growth. Together, we have an opportunity to build on this progress. New Dems look forward to working with your Administration to deliver on the following priorities:

Counter Competitive Threats and Abuses from China

New Dems believe we must leverage and enhance diplomatic, trade, and economic tools with strong congressional oversight to strengthen American competitiveness in the global economy and meet the challenge of the People's Republic of China's unfair trade practices, market manipulations, censorship and surveillance, and human rights abuses.

- Strengthen ties and coordinate with our allies and close trading partners to confront the anti-competitive and non-market policies and practices of the People's Republic of China.
- Defend American values in the United Nations (UN), World Trade Organization (WTO), and other venues against "digital sovereignty" campaigns by China.
- Reauthorize the Generalized System of Preferences (GSP) to encourage companies to move production out of China and into developing nations.

Establish a Durable and Sustainable Approach to Trade

The historic United States-Mexico-Canada Agreement (USMCA) presents a way toward a more balanced, worker-centered trade model capable of delivering broad-based economic growth that advances workers' rights and addresses unnecessary barriers to trade. Its strong and enforceable labor provisions were the result of a sustained, authentic dialogue between labor organizations and businesses that Congress helped shape. The bipartisan engagement and approach of the USMCA should be used as a model for pursuing ambitious, substantive, and durable trade agreements.

- Leverage market access agreements to encourage and incentivize trading partners to adopt high labor and environmental standards.
- Strengthen enforcement, labor, and environmental commitments and ensure implementation does not adversely impact U.S. businesses, consumers, or workers.
- Support the modernization and reauthorization of the Trade Adjustment Assistance (TAA) program, to allow American workers, companies, and growers and producers adversely impacted by increased U.S. tariffs and the reciprocal actions taken by other countries to be eligible for TAA.
- Consult with labor organizations to reform and reinvest in workforce development programs that promote workers' rights so American workers and businesses can compete and win in a dynamic global economy.
- Support efforts to further study how our trade policies align with our workforce strategy.
- Promote trade in environmental products and explore new environmental goods agreement negotiations, particularly with countries with market-based economies and high standards.

Return to Reciprocal Bilateral/Regional Trade Agreements

To maintain American leadership in the global economy and counter the competitive threats from China, it's clear that the U.S. must increase economic cooperation and pursue trade agreements with our allies and close trading partners that share our values.

- Reassert congressional oversight and authority over international trade. New Dems believe trade agreements approved by Congress are more durable than initiatives concluded as executive agreements and urge the Biden Administration to coordinate and consult with Congress, affected stakeholders, and the American people.
- Pursue free trade agreements with trading partners like the United Kingdom, Taiwan, and Kenya to secure global supply chains, open new markets for U.S. goods, and strengthen economic coordination amongst nations that share our values.
- Eliminate both tariff and non-tariff barriers to trade.

Strengthen the Indo-Pacific Economic Framework (IPEF)

New Dems welcomed the Biden Administration's decision to negotiate an Indo-Pacific Economic Framework (IPEF), improve coordination with like-minded countries on supply chains, the climate crisis, and labor standards, and champion a free and open Indo-Pacific region with strong democratic values. The IPEF is an important first step in furthering our relationships in the Indo-Pacific following the Trump Administration's misguided decision to withdraw from the region. However, frameworks are not substitutes for trade agreements approved by Congress that open markets for U.S. products. New Dems believe we must pursue a more robust trade agenda in the critically important Indo-Pacific region and urge the Biden Administration to finalize a deal that bolsters U.S. global leadership and meaningfully delivers for American workers, farmers, and businesses.

- Support meaningful enforcement provisions for binding commitments.
- Include tariff reductions or tariff-based market access in the agreement to make meaningful progress on our priorities.
- Strengthen U.S. leadership in digital trade negotiations in IPEF and promote high standard rules for the global digital economy.

Build a More Robust Trade Relationship with Taiwan

New Dems were encouraged by the announcement of the Biden Administration's initial agreement under the U.S.-Taiwan Initiative on 21st-Century Trade. We view this as an opportunity to deepen our economic relationship and advance mutual trade priorities. New Dems stand ready to work with the Administration as it consults with Congress in ongoing negotiations with Taiwan.

- Pursue a free trade agreement with Taiwan.
- Support a U.S.-Taiwan tax agreement to reduce double taxation, prevent tax evasion, remove barriers to trade, and bolster a shared defense against China.
- Explore opportunities to promote exports of U.S. products and services and increase Taiwanese investment in the U.S.

Reduce Barriers to Trade that Increase Costs for Americans and Hurt U.S. Businesses

Tariffs and other trade barriers limit the access of American businesses to global markets and drive up the costs of goods for U.S. consumers. New Dems have long advocated for rolling back harmful Trump-era tariffs and trade policies. By working with the Biden Administration to limit such barriers, New Dems will continue to reduce prices and expand access to markets for American families, workers, growers and producers, and businesses.

- Establish a comprehensive, fair, and transparent exclusion process for existing Section 301 tariffs to cut costs for Americans and ease global supply chain constraints.
- Support negotiations to transition away from imposing tariffs on our closest allies.
- Prioritize legislation on the renewal of expired or expiring programs, such as the Generalized System of Preferences (GSP) program, Miscellaneous Tariff Bill (MTB), African Growth and Opportunity Act (AGOA), and the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) and the Haiti Economic Lift Program (HELP) Acts.
- Advance equity in trade policy by considering solutions to reduce gender bias and regressivity of the tariff system, in consultation with Congress.

Promote the U.S. Digital Economy and Lead Negotiations on Agreements Related to Digital Trade

The international flow of digital goods, services, and information has become increasingly vital to American workers and businesses of all sizes, including countless small businesses. We must safeguard the success of the U.S. in the digital economy by ensuring that American companies and workers face a fair and level playing field when competing in foreign markets. It is critical that the U.S. leads in shaping the rules that govern the digital economy.

- With frequent and robust consultation of Congress, assert U.S. leadership of digital trade by engaging with like-minded countries to forge responsible, inclusive, and forward looking digital trade rules in order to uphold American values and counter China's concerning digital agenda.
- Seek opportunities to push the European Union (EU) to amend its proposals targeting American technologies and companies and enforce its laws in an even-handed manner, including through continued Trade and Technology Council (TTC) discussions.
- Advance digital trade policies that will grow American industries, ensure workers are treated fairly, protect consumers' privacy, and give small businesses the digital tools they need to succeed in the 21st century economy. These include policies that protect against the forced transfer of American technology, enable the free flow of information across borders, defend American workers and businesses of all sizes against unfair discrimination, and maintain the longstanding ban on tariffs on digital goods and services at the World Trade Organization (WTO).

Support Agricultural Exports by Reducing Tariff and Non-Tariff Barriers

U.S. agricultural producers are capable of feeding the world and rely on markets abroad to export local harvests. However, our farmers and ranchers often face protective tariffs or discriminatory non-tariff barriers, such as non-scientific sanitary and phytosanitary (SPS) measures, that put American agricultural products at a disadvantage or prevent their trade entirely. We must both negotiate deals that reduce tariffs and non-tariff barriers and work with trade partners to open agricultural markets.

- Seek high-standards agreements with trade partners that lower tariffs for American agricultural products that put U.S. producers at a disadvantage.
- Support agreements that address non-tariff barriers, including requiring that SPS measures meet high scientific standards.
- Enforce agricultural provisions of existing agreements, such as the USMCA, to prevent countries from discriminating against crops made with biotechnology.
- Work with trade partners to address non-tariff barriers with specific products and improve customs procedures abroad that delay the entry of perishable products.

The New Democrat Coalition stands ready to work with your Administration and our colleagues in Congress to execute a strong and proactive trade agenda. We ask that you continue to work with our Coalition and Members, consider our policy priorities, and keep Congress informed of developments on these priorities as you work to revitalize U.S. trade leadership.

Sincerely,

Imi Stefan

Rep. Lizzie Fletcher Chair, Trade Task Force New Democrat Coalition

Rep. Suzan DelBene Member of Congress

When

Rep. Gregory Meeks Member of Congress

Fri Swell

Rep. Terri Sewell Member of Congress

Rep. Don Beyer Vice Chair, Trade Task Force New Democrat Coalition

Rep. Jim Himes Member of Congress

Shicey El Castrel

Rep. Stacey Plaskett Member of Congress

Rep. Jimmy Panetta Vice Chair, Trade Task Force New Democrat Coalition

hik Lousen

Rep. Rick Larsen Member of Congress

Mill Cur

Rep. Mike Quigley Member of Congress

Rep. Greg Stanton Member of Congress

CC:

Ambassador Katherine Tai, United States Trade Representative Secretary Gina Raimondo, Department of Commerce Secretary Janet Yellen, Department of the Treasury Secretary Antony Blinken, Department of State