# Congress of the United States Washington, DC 20515

June 5, 2025

President Donald J. Trump The White House 1600 Pennsylvania Avenue NW Washington, DC 20500

Dear President Trump:

We are new Members of Congress committed to fixing U.S. trade policy in a way that strengthens America's middle class by creating good jobs, rebuilds our industrial base by spurring manufacturing, safeguards the environment and public health, and supports America's family farms, small businesses, and innovators.

Communities across the United States are still dealing with the consequences of bad trade deals that were written by and for the largest corporate interests, not for the best interests of working people. We have lost 90,000 manufacturing facilities, millions of family-supporting jobs, and the tax base that once supported schools, hospitals, and other vital services. Our national security has been compromised by low-road trade deals that weakened America's industrial base and concentrated production of vital industries in a few low-wage countries. The "race-to-the-bottom" spurred by corporate-driven globalization has led to massive and persistent American trade deficits that fuel income inequality and leave us overly reliant on importing essential goods, from food to steel.

Good trade policy can rebuild and preserve American manufacturing and strengthen the middle class. We believe there are areas of common ground in this effort, and we are prepared to work on these with you. For example:

#### 1. Improve the U.S.-Mexico-Canada Agreement

The upcoming mandatory six-year review of the U.S.-Mexico-Canada Agreement (USMCA) is an important opportunity to improve the deal and fix its deficiencies.

<u>Stronger Labor Standards:</u> The U.S.-Mexico trade deficit continues to grow because most Mexican manufacturing workers are still not represented by independent unions who bargain for better wages, and they continue to make a small fraction of what American workers make. Meanwhile, multinational corporations use the threat of offshoring to pad their profit margins by suppressing American workers' wages.

To address these challenges, companies operating in Mexico must be required to comply with stronger labor standards. The Rapid Response Mechanism for labor standards should be improved, USMCA should include concrete revisions to raise wages for workers in Mexico, and USMCA's rules-of-origin provisions should compel companies to pay higher wages, particularly for the auto and aerospace industries.

<u>Stronger Environmental Standards</u>: Mexico has not adequately enforced environmental standards, too often allowing corporations to cut corners. That not only hurts the environment, it puts American-based operations at a competitive disadvantage. Therefore, USMCA should be updated to extend the Rapid Response Mechanism to cover environmental issues, and it should include stronger measures to deter non-compliance, so companies don't simply sidestep environmental and other standards.

<u>Close China's Backdoor to U.S. Markets:</u> Chinese companies in Mexico have doubled their industrial footprint in recent years, using Mexico as a backdoor into American markets and undermining our trade laws. To address this, USMCA needs updated rules-of-origin requirements, and Mexico needs to match the border measures that America and Canada have adopted to address unfairly traded Chinese EVs, steel, and aluminum.

Fix Digital Trade and Other Issues: While USMCA made some improvements on the North American Free Trade Agreement (NAFTA), it also included several provisions that were worse, and these should be fixed during the mandatory review. USMCA should be updated to remove special "digital trade" rights and privileges that allow Big Tech to pre-empt laws Congress and state legislatures have enacted to protect data privacy and security, right to repair, online safety for children and more. USMCA should also eliminate rules that effectively forbid use of Buy American or Buy Local procurement standards; eliminate the remaining special foreign investor tribunals; and eliminate special monopoly protections for pharmaceutical firms to raise medicine prices.

### 2. Invest in American Manufacturing

Rebuilding American manufacturing requires American investments that complement the strategic and targeted use of tariffs and other trade tools. While American politicians and special interests have spent decades offshoring jobs and hollowing out our industrial base, other nations have done the opposite, investing substantially in their own manufacturing capacity.

The CHIPS & Science Act promises to rebuild America's semiconductor industry, and the Inflation Reduction Act and other industrial policies have generated the highest rate of factory investment in decades. These investments will put America back on the forefront of advanced manufacturing. With improvements to labor laws, these investments will also create tens of

thousands of good union jobs. We urge you to support and improve these investments, not roll them back.

# 3. Reauthorize and Improve Trade Adjustment Assistance

Fair trade and industrial policies require us to support the workers and communities that lost jobs due to import competition. Programs like Trade Adjustment Assistance (TAA) were supposed to soften the blow, but they have been insufficient, and the program is currently lapsed. We therefore urge you to support efforts to reauthorize and improve TAA to invest in American workers and communities that have lost jobs because of flawed trade policies.

## 4. Pair Targeted and Strategic Tariffs with Anti-Price Gouging and Pro-Labor Laws

Used in a strategic and targeted manner, tariffs can level the playing field and give American workers a fighting chance to compete. That's especially true when American workers are forced to compete against countries that use sweatshop labor, wreck the environment, manipulate currency, and otherwise cheat.

To make sure that the corporations enjoying years of record profits-and not workers or consumers-bear the costs of adjusting from the old trade policy they promoted, tariffs must be accompanied by policies that stop corporate price-gouging and stock buybacks, as well as policies that make it easier to form a union. With these measures, tariffs can lead to productive investment and higher wages, instead of providing another excuse for companies to raise prices and pay out large dividends amidst record high profits.

If not deployed strategically, tariffs have the potential to harm American producers, and that's especially true in rural areas with agricultural economies. For decades, farmers have been squeezed by input costs that are too high and prices that are too low. Our farmers deserve a whole-of-government approach to address these longstanding challenges as well as any impacts from changes in our trade policy.

We look forward to working with your U.S. Trade Representative to achieve a new American trade policy that delivers for our constituents.

Sincerely,

Josh Riley

Member of Congress

Wesley Bell Member of Congress

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CC: Jamieson Greer, U.S. Trade Representative