

AAM Opposes the Trade Review Act (S. 1272 / H.R. 2665)

Dear Senators and Members of Congress:

The Alliance for American Manufacturing (AAM) – a labor-management partnership between some of America's leading manufacturers and the United Steelworkers – opposes the *Trade Review Act* (S. 1272 / H.R. 2665). This misguided bill adds new barriers to our nation's trade enforcement tools and injects significant uncertainty into national security actions.

In recent decades, the United States has experienced the loss of millions of manufacturing jobs and the shuttering of tens of thousands of factories – creating an emergency that necessitates immediate and urgent action. Our nation stands at the precipice of becoming fully reliant on hostile or uncooperative countries seeking to dominate production of items necessary for our national security and economic welfare. America can no longer avoid facing the trade imbalances that have plagued us in recent decades and eroded our industrial capabilities. Actions taken to impose tariffs on non-reciprocal policies and to address national security concerns related to production are a step in the right direction. It is, thus, regrettable that some policymakers believe that the solution is to make our trade enforcement tools less accessible – a proposal backed by the same economists and so-called experts who promised economic benefits by welcoming China into the global economic system.

The *Trade Review Act* would significantly complicate the imposition of tariffs under our trade laws - including Sections 201, 232, and 301 – by making such actions contingent on passage of a resolution of approval within 60 days. The bill also creates an expedited process to immediately terminate tariff actions with a resolution of disapproval. Our existing trade tools were created by Congress to address unfair practices, violations of trade agreements, non-tariff trade barriers, and even national security concerns. In doing so, Congress delegated authorities to the executive branch knowing full well that the legislative process is not well suited to reacting to such serious concerns with agility and speed. The *Trade Review Act*, however, would allow the outcome of a trade or national security action involving tariffs to hang in the balance as foreign governments and interests exert their influence over the outcome. The unnecessary and burdensome process created by this bill effectively renders our existing trade tools inaccessible by deterring their use and injecting significant uncertainty and doubt into their approval. In short, the *Trade Review Act* tilts the scales against trade enforcement and in favor of maintaining the status quo of surging trade deficits and a deteriorating industrial base.

Rather than weakening available trade tools, Congress should reaffirm its support for a fair and level playing field and urge other countries in the strongest possible terms to confront their own tariff and non-tariff barriers. Regrettably, passage of this misguided legislation would represent the abandonment of Congress' commitment to trade enforcement and open the door for foreign governments and businesses to lobby Congress in a manner adverse to our economic and national security interests.

Congress has the full authority to self-initiate certain trade cases, but it has rarely done so. It has had the opportunity to repeal or adjust Permanent Normal Trade Relations for China for the past two decades, but it has not done so. It has had the opportunity to provide workers impacted by trade with more assistance, but it has not done so. It has had the opportunity to strengthen and modernize our nation's trade laws, but it has not done so. Yet, when Congress has focused on collaboration with the administration on trade measures, it updated the U.S.-Mexico-Canada



(USMCA) trade agreement and passed the Uyghur Forced Labor Prevention Act (UFLPA) to restrict products made with forced labor from entering our market. While imperfect, these measures demonstrated progress for domestic companies and America's workers and earned our support. At this critical time, we urge Congress to refocus efforts on proactive measures to defend American workers and businesses.

The Alliance for American Manufacturing strongly urges members to oppose the *Trade Review Act*. Thank you for your consideration.

Sincerely,

Scott N. Paul President

Alliance for American Manufacturing

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