



Democrats Concede to China in So-Called Competition Bill

Democrats prioritize trade welfare, red tape, and radical green mandates, while upholding Biden's trade moratorium

GOP Topline

To counter China, we need an ambitious trade agenda that sells American products, promotes Made-in-America goods and services, relieves supply chain shortages, and creates jobs. Sadly, Democrats in Congress aren't serious about confronting China, holding them accountable for their trade commitments, or insisting China stop cheating America and other countries.

Message/Themes

- **Democrats Put Trade Welfare Expansion Ahead of Selling American:** Democrats have made a massive renewal of Trade Adjustment Assistance (TAA) a centerpiece of their trade package.
 - Renewal of TAA is usually combined with important, job-creating programs like new Trade Promotion Authority and the Generalized System of Preferences that lead to greater trade and more benefits for American workers and families.
 - America urgently needs to be a leader on ambitious new trade agreements around the world, in order to present an alternative to China's model in the region. Democrats are instead passively endorsing the Biden Administration's trade moratorium.
 - Democrats are going it alone to expand trade welfare and decrease accountability.
 - Democrats' proposal costs about \$22 billion, far more even than the \$6 billion expansion House Democrats passed in their reconciliation bill in November 2021.
- **More Government Spending on Health Care:** Democrats give another handout to TAA workers with a permanent and larger Health Care Tax Credit (for TAA workers) who already have access to health care subsidies in the individual market.
- **Holds Small Businesses and Poor Countries Hostage to Radical Green Agenda:** The Generalized System of Preferences is intended to lift up poor countries and give small businesses access to inexpensive goods – a win-win for American customers and workers – but Democrats mandate poor countries' compliance with climate commitments under the Paris Agreement, rather than working with more targeted environmental criteria that earned bipartisan support in USMCA.
- **Democrats' Priority is Partisanship, Not Trade:** Spurning a long history of bipartisanship on trade that included success like USMCA, Democrats refused to work with Republicans on this package. Democrats chose to include only one bill cosponsored by any Ways & Means Republicans. The result of this lack of rigorous Committee work is a bill that won't be effective in either confronting China or strengthening our economy.