

# D.C. Cheat Sheet

---



## ***Quick Updates from Your HF Team***

*Ukraine isn't the only country dominating headlines this week. Check out these breaking developments on the China trade front:*

### **China Bill Sailing Through Congress**

As Congress hammers out differences between the House and Senate versions of the massive “China bill” by July 4, there are sections of the trade bill that the Federation will keep an eye on. To help fix supply chains, the House version includes ocean shipping reform as part of the package, creating a second track for the hardwood industry to push one of its major priorities over the finish line. In addition, House and Senate bills are pursuing different tracks to modify the Section 301 tariff exclusion process, potentially expanding and formalizing the process by which domestic manufacturers can submit comments and participate in hearings when federal officials review existing exclusions to determine if they will be continued or sunsetted.

### **Inflation, Labor Unions Set Stage for China Tariff Showdown**

Since President Biden first mentioned on May 10 the possibility of reviewing China tariffs to cool inflation, Consumer Price Index (CPI) numbers released for the month of April show that increases to the cost of living remain above eight percent, adding more urgency to the question about how the Biden Administration will address China tariff issue. Although removing tariffs is something that the President could do with the stroke of a pen, the President's statements earlier this month have caused something of a backlash inside the Democratic party, especially among labor unions who generally oppose cheaper imports. The Federation will keep you posted on the trade balancing act taking place inside the White House and share news that might have direct impacts on the hardwood industry.

### **President Biden Pursues Asia Pacific Trade Pact**

During a visit to Tokyo on Monday, President Biden unveiled the "Indo-Pacific Economic Framework," a bloc of thirteen countries including Australia, India, Indonesia, Japan, New Zealand, South Korea and six other trading partners as a check on China's growing power in the region. The Administration believes that the new initiative will help create more "resilient supply chains" and advance its "decarbonization" goals, among other issues. For more about the new trade initiative, please click [here](#).