United States Senate Committee on Finance July 31, 2025

Hearing to Consider the Nominations Bryan Switzer, of Virginia, to be a Deputy United States Trade Representative (Asia, Textiles, Investment, Services, and Intellectual Property), with the rank of Ambassador, vice Sarah Bianchi; Gustav Chiarello III, of Virginia, to be an Assistant Secretary of Health and Human Services, vice Robert Michael Gordon; The Honorable Michael Stuart, of West Virginia, to be General Counsel of the Department of Health and Human Services, vice Samuel R. Bagenstos, resigned; and Derek Theurer, of Virginia, to be a Deputy Under Secretary of the Treasury, vice Jonathan Davidson.

Questions for the Record submitted to Bryan Switzer from Senator Tim Scott.

Question 1: Mr. Switzer, aerospace is an essential industry to South Carolina, where the 787 Dreamliner is built. Recent agreements with the UK, and it appears the EU, recognize the importance of aerospace and include a zero-for-zero tariff regime. This type of duty-free inclusion has allowed U.S. commercial aerospace exports to grow by over 2,177% in the last 40 years.

If confirmed, will you support aerospace and include this zero-for-zero treatment in future agreements?

ANSWER: Aerospace is a vitally important industry for the United States. American producers of aircraft and aircraft parts are some of our nation's top exporters, supporting thousands of U.S. jobs. The deals announced with the United Kingdom and the European Union include zero-for-zero treatment of aerospace, and I support the Administration's approach.

Question 2: South Carolina is also home to a robust automotive industry with the likes of Volvo, BMW, and Mercedes-Benz, where stable access to critical minerals is crucial.

If confirmed, will you work with the Administration to pursue stable access to such critical minerals?

ANSWER: Through nonmarket practices, China has cornered the global supply chain for critical mineral mining and processing, which has led to fundamental insecurities within multiple industries as China seeks to weaponize its market dominance. The United States is blessed with ample deposits of critical minerals, and American firms have more than sufficient expertise to extract and process the materials. The Administration is clearly committed to onshoring and near shoring as much of the supply chain as is practical.

Trade policy is just one element of the problem. Environmental, regulatory and tax policy all have their part to play in making it economical for American firms to compete, and the Administration has taken bold action in each of these areas, ensuring that American firms will no longer have to depend on the whims of the communist party in Beijing.

Questions for the Record submitted to Bryan Switzer from Senator Todd Young.

Question 1

East Asia, especially Taiwan and South Korea, remains central to advanced chip production, while China intensifies efforts to control key parts of the supply chain. Fortunately, the U.S. is beginning to shift the balance through major investments, like the new multi-billion-dollar packaging and R&D facility in Indiana.

If confirmed, how would you ensure that USTR's engagement with key partners in Asia advances this supply chain strategy? And how can future trade agreements help expand high-trust, high-tech investment in the U.S. while countering China's efforts to dominate global semiconductor production?

ANSWER: I have long been focused on the importance of the semiconductor supply chain and the dangers of having concentrated production of computer chips in Asia. Like I mentioned in our meeting, I wrote the first paper for the Department of Defense identifying Taiwan as a single point of failure for the semiconductor supply chain. Securing the microelectronics supply chain and rebuilding the capacity of our domestic industrial base to meet our core needs is a national security issue of the highest order and trade policy is one of the most powerful tools available to the address this issue.

Without prejudging any particular action I would advise if confirmed, this will be an area of focus in my discussions with our trading partners in the region. The U.S. has never had to grapple with pervasive security defects at the chip level, and if untrustworthy producers were to corner the advanced chip market, there would be severe national security implications for the United States and our allies. There is really only one solution to a hardware trojan: rip and replace. But if there are no suppliers of reliable chips to replace them with, then that becomes something that the U.S. government and firms simply must endure, which is unacceptable.

Working with our partners in the region to ensure that the production of advanced chips is controlled by nations who believe in the rule of law alongside efforts to onshore production will meaningfully address the concerns that we both share. The Administration clearly believes this to be a priority, and I look forward to playing my part if confirmed.

Question 2

China has spent decades using state-backed investment and coercive trade practices to dominate global critical mineral supply chains. To counter this, the U.S. must continue deepening ties with trusted partners—like through the recent agreement with Indonesia, a major nickel producer—to secure strategic inputs.

Would you support binding, sector-specific trade agreements for critical minerals? And how would you ensure trade policy drives real supply chain diversification away from China?

ANSWER: While working at the State Department, I had a front row seat to China's use of subsides, both financial and non-financial, to gain control of global rare earth mining and processing. In addition to more conventional non-market practices, China engages in deeply irresponsible environmental practices equating to a regulatory subsidy for Chinese producers.

Cooperation with our allies is important, but it's only part of the picture. The U.S. is blessed with ample deposits of critical minerals, and U.S. firms have the necessary expertise to extract and refine them for use in domestic manufacturing. Jumpstarting a domestic critical minerals industry requires the kind of long-term, patient capital that only our well-functioning capital markets can provide. For those investments to be attractive, the trade, regulatory and environmental policy landscape must make sense. If confirmed, I will make this issue a priority of my work at USTR.

Question for the Record submitted to Bryan Switzer from Ranking Member Wyden.

Question 1: During the hearing to consider your nomination, I asked you what you would do to help small businesses across Oregon who are struggling right now with President Trump's tariffs. Your response focused on efforts to open markets abroad. But you ignored the impact of President Trump's tariffs on small businesses – like restaurants, toy stores, and small manufacturers – who depend on imports in order to make and sell things here in America. These businesses face crippling new costs under the President's tariff regime. What's more, President Trump's "dealmaking" has not offered any relief to date: President Trump's so-called "deals" leave in place tariffs that are significantly higher than before he took office.

I'm going to give you another chance to answer my original question. Please explain what specifically you would do, if confirmed, to help small businesses in Oregon facing exploding costs due to President Trump's tariffs.

ANSWER: Before President Trump, America's status quo trade regime ignored small businesses, particularly our producers and manufacturers, leaving them with a Faustian bargain requiring that they close domestic production or cancel orders from domestic producers and procure products from overseas, mostly China, or go out of business. They were blocked from markets abroad by tariffs and non-tariff barriers on the one hand, and forced to compete at home with goods produced by coerced labor, grossly irresponsible environmental practices, and non-market industrial targeting on the other. This approach to trade was unfair to middle class Americans trying to make an honest living.

If confirmed, I commit to meeting with American small businesses, hearing their concerns, and advising the Ambassador on how best we can deliver a fairer environment for American small businesses and workers.

Questions for the Record submitted to Bryan Switzer from Senator Cortez Masto.

Question 1: As Deputy U.S. Trade Representative for Asia, you would play a key role in the China negotiations. Do you believe that export controls intended to protect U.S. national security should be on the table in trade negotiations with China?

ANSWER: U.S. national security has been imperiled by an overreliance on Chinese supply chains. At the end of the day, the U.S. and China will continue trading with each other, but it is important to ensure that trade with China is conducted in a way that does not threaten U.S. national security. The Administration clearly has that in focus when negotiating with China and the rest of the world.

Because I am not presently serving, I cannot speak with specificity on what I would advise on any particular negotiation. That said, I have the utmost confidence that Ambassador Greer and the career professionals at USTR are advising the President on how best to ensure that future trade with China does not negatively impact U.S. national security.

Question 2: Prior to this administration, U.S. imports of clothes and shoes faced an average effective tariff rate of almost 15 percent. President Trump has stacked tariffs on top of these existing tariff rates. As a result, the combined tariff rate for importing clothing items like cotton t-shirts could now easily exceed 35 percent. As Deputy USTR charged with overseeing textiles trade, would you advocate for tariff relief for hardworking American families by "de-stacking" these tariffs on apparel and footwear?

ANSWER: I support President Trump's trade agenda and the actions he has taken to protect the American textile industry.

Questions for the Record submitted to Bryan Switzer from Senator Warren.

Ties to Big Tech

Your time in the private sector—and the notable lack of available information on it—raises questions about what ties you had the opportunity to develop with Big Tech. For one, you worked with organizations that are closely connected to many of the tech firms that stand to benefit most should the Trump Administration prioritize Big Tech's "digital trade agenda," including their efforts to repeal countries' pro-consumer, pro-competition, and pro-privacy techrelated policies. During a sabbatical from the State Department, you were a senior fellow at the Special Competitive Studies Project (SCSP), a think tank founded by Eric Schmidt, formerly the

CEO of Google. SCSP has received financial support from a number of the most powerful tech companies in the world, including OpenAI, Microsoft and Palantir—all of which have vested interests in various policy decisions the Trump Administration—potentially even you—will face.

Question 1: Please describe the nature of your communications with the following firms in the past three years, including whether you have corresponded on digital trade issues:

- a. Google/Alphabet
- b. Meta
- c. Twitter/X
- d. Amazon
- e. Apple
- f. Microsoft
- g. Palantir
- h. OpenAI

Answer: I have not corresponded with any of these companies about digital trade issues.

Question 2: While you had received funding from the Department of State for a number of your details, you did not during your Senior Fellowship at the SCSP. In your ethical disclosures, the SCSP is listed as a source of compensation exceeding \$5,000 in a year. Did SCSP provide you funding, a stipend, or any other form of financial benefit? If so, how much in dollars?

Answer: The Department of State encourages career employees to take sabbaticals (i.e. leave without pay) from time to time in order to work for private entities including think tanks like SCSP. As disclosed in my Office of Government Ethics forms, I was an employee of SCSP and received a salary for my work there. During my tenure at SCSP I complied with all applicable Federal and Department of State ethics policies and guidelines.

And according to public reporting, you founded a technology consulting company after leaving the State Department, but public reports and your LinkedIn profile report conflicting information about your firm, making it nearly impossible to learn more about your work or your clients.² In your ethics disclosures, you listed no consulting clients, despite owning a technology consulting firm and reporting between \$1000 and \$15,000 in consulting fees as income.³ Your consulting firm does not appear to have a public website, and there is no public record of your consulting activities or clients. This lack of information is puzzling, as it obscures any further ties you might have to the tech industry.

Question 3: Please name your consulting firm and list your clients from the past year.

¹ Inside U.S Trade, "Former State official with experience in China picked to serve as USTR deputy," Dan Dupont, April 10, 2025, https://insidetrade.com/daily-news/former-state-official-experience-china-picked-serve-ustr-deputy.

² *Id*.

³ Questionnaire on file with the Office of Senator Elizabeth Warren.

i. Were any of your clients affiliated with the above firms?

ANSWER: My only private sector work after serving at the Department of State was a consulting firm called ProjX Technology Consulting LLC. My only client was INDOPACOM.

Question 4: Please describe the nature of your communications with President Trump and other members of his Administration regarding your nomination.

ANSWER: My communications with the Administration regarding my nomination have been logistical in nature.

China Negotiations

Your public remarks give me reason to believe that you agree with this assessment and lamented the "Western habit to underestimate the strength and resilience of China's economy, political system and industrial strategies." Nevertheless, the Administration you have joined seems to have neither the inclination nor the ability to challenge Beijing. Only several months into the Administration, the President has loosened key export controls on advanced chips to placate Beijing after the Chinese government cut off U.S. supplies of rare earths and industrial magnets the administration did not have Plan B sourcing for before escalating tariffs on China to more than 100%.

Question 5: How will you work to address China's non-market policies and practices? What role do you believe working with allied nations and partners play in the U.S. approach to China?

Question 6: What do you view as a successful trade deal with China that would sufficiently address your concerns about Chinese policies?

Question 7: Do you agree with the Administration that export controls on sensitive technologies that underpin the U.S. technological advantage should be bargained away during trade negotiations?

https://secureenergy.org/watch-china-competition-power-episode-one-chinas-hybrid-economic-system/; Wall Street Journal, "China Hit Some Bumps on Its Road to Semiconductor Dominance," Rick Switzer and David Feith, September 20, 2022,

 $\frac{https://www.wsj.com/articles/china-hit-some-bumps-on-its-road-to-semiconductor-dominance-solar-shipbuilding-five-year-plans-sudsidies-chips-act-smic-bankruptcy-$

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⁴ SAFE, "WATCH China / Competition / Power Episode One: China's Hybrid Economic System," June 10, 2024,

ANSWER to 5, 6 & 7: President Trump has a demonstrated track record of confronting China.

I support the Administration's approach to trade with China. President Trump ran on imposing a 60% tariff on goods from China, and current policy is close to that mark with an effective tariff rate of around 54%. Addressing China's non-market practices is complex, and requires a whole of government approach to tackle. The trade role for which I have been nominated to help oversee is an important one, and ultimately will be one part of an iterative process to address our global trading relationships.

My view of trade with China is straightforward: China and the United States should be able to trade in non-sensitive areas, and, barring war, will continue to do so. However, the Chinese system of governance is fundamentally incompatible with our own, hence the difficulties in finding the right balance within the category of non-sensitive goods.

To your question on export controls: I trust the President. The Administration stepped up export controls on chips at the beginning of the term in order to bring China to the table, and President Trump has succeeded, and the U.S. and China are now in active negotiations to address a wide range of issues that have persisted since the previous administration.

Questions for the Record submitted to Bryan Switzer from Senator Warnock.

Question 1: Trump Administration officials have <u>underscored</u> the importance of the domestic textile industry and highlighted unfair trading practices that undercut it. Yet, the Trump Administration's tariff policies have created uncertainty around manufacturing inputs and machinery that are unavailable from a U.S. source. Additionally, the reciprocal tariff rates have created uncertainty about duty-free trade from <u>the Dominican Republic-Central America Free Trade Agreement</u> (DR-CAFTA).

- What policies should the United States pursue to maintain American manufacturers' affordable access to non-available inputs and machinery?
- How will you safeguard DR-CAFTA qualified trade in light of the impending reciprocal tariff rates that will be imposed on qualified countries?

ANSWER: This Administration understands that reindustrializing the United States will require a whole of government approach. Getting the tax, regulatory, energy and trade policy right will make a big impact, and President Trump has already notched an important win with the passage of the One Big Beautiful Law.

The trade role for which I'm nominated to help conduct is critically important and long neglected. In many cases, American manufacturers struggle to find domestic sources for parts and components because of the non-market strategies of our competitors have made domestic production uneconomical. It should be profitable to make things in America, and

sending the right signals to the private sector and our competitors that we will no-longer tolerate trade practices that undercut our domestic producers is an important first step.

While I am nominated to oversee the Asia, textiles, services, and investment portfolio, and DR-CAFTA would fall outside my immediate remit, I understand its importance to our trading partners in the region. During my time with the State Department, I was stationed in Barbados, and I learned a lot about the importance of trade both to the region and American producers.

Working with our partners in the Western Hemisphere will be critical to solving the broader national emergency, and, if confirmed, I look forward to being a part of conversations on how Caribbean fits into to the bigger picture.

Question 2: Ahead of his reciprocal tariffs being imposed on <u>August 7</u>, President Trump has announced <u>several trade deals</u>. President Trump called the deal he recently announced with the European Union the "<u>biggest deal ever</u>." What is the difference between a trade deal, as have been announced by President Trump on social media, and a trade agreement, as are approved by Congress, like the United States-Mexico-Canada Agreement?

ANSWER: My understanding is that the President's deals are executive agreements and do not affect U.S. law.

Question 3: In your opinion, when does a trade deal merit Congressional approval?

ANSWER: My understanding is that the President's deals are executive agreements and do not affect U.S. law.

Question 4: Do you support Congressional approval of trade deals as have been announced by President Trump?

ANSWER: This Administration has followed the law, and if I am confirmed, I am committed to doing so as well.

Question 5: The Administration has still not released any text of an approved trade deal. If confirmed, do you commit to releasing the text of trade deals as they are announced?

ANSWER: To my knowledge, the Administration has released text regarding trade with the United Kingdom, Indonesia and others.

Question 6: In August, the President is set to <u>impose</u> a 15% tariff on goods from critical regional allies Japan and South Korea. Other key regional partners like Vietnam (20%), Taiwan (20%), and India (25%) are also seeing elevated tariff levels. Earlier this year, South Korea and Japan <u>entered into</u> their first economic and trade dialogue with China in five years. Do you think imposing high tariff rates on our allies will help in combatting China's regional and global influence? Will it result in lower prices for American consumers?

ANSWER: On April 2, President Trump declared a national emergency arising from the domestic economic policies of foreign countries and structural imbalances in the global trading system, namely, that our non-reciprocal trade relationships and resulting trade

deficits constitute an unusual and extraordinary threat to the national and economic security of the United States, and imposed bespoke tariffs on our trading partners.

The consequences of this national emergency have enormous implications for our national security and our ability to contest our greatest strategic competitor. Our allies and trading partners needed to be brought to the table as our current trading relationship serves neither our nor their long-term strategic interests.