United States Senate Committee on Finance April 8, 2025 The President's 2025 Trade Policy Agenda

Questions for the Record submitted to The Honorable Jamieson Greer from Chairman Mike Crapo.

Question 1: As President Trump noted, his strategy motivated 70 countries to negotiate with the United States. And as you noted at your nomination hearing, it is critical that USTR consult closely with the Finance Committee during any trade negotiations to implement President Trump's agenda.

- Can you dispel claims that the Administration will bypass Congress or reject the bipartisan approach to trade President Trump took during his firm term, by confirming now that USTR will continue its longstanding practice to:
- provide negotiating text to the Committee, including by ensuring U.S. negotiating proposals are provided to Congress before they are shared with entities outside of the executive branch (e.g., advisory groups and negotiating partners);
- ensure Congress has a meaningful opportunity to comment on U.S. proposals; and
- provide the Committee with advance notice of in-person negotiations—whether in the United States or abroad—so that Congress can properly participate?

Answer: As I discussed at my nomination hearing, I will continue to work closely with Congress on formulating U.S. trade policy.

USTR will continue to provide Congress an opportunity to comment on proposed negotiating texts prior to USTR sharing them with a foreign trading partner consistent with our statutory obligations. USTR also plans to share the text of country-specific reciprocal trade agreements with Congress prior to concluding and signing them. During the negotiations, USTR will keep Congress apprised of developments with specific trading partners. To this end, USTR commits to holding weekly briefings with Senate Finance staff.

Question 2: The President announced, shortly after the hearing, a 90-day pause on reciprocal tariffs, except for those on China, because of the desire of many countries to negotiate with the United States, while they also refrained from retaliating.

- Please explain:
- USTR's role in negotiating with other countries during this 90-day pause; and
- how USTR can advance U.S. interests in agricultural market access, respect for U.S. intellectual property rights, and combatting digital discrimination during the course of these negotiations.

Answer: USTR, working closely with the other economic agencies, is the lead negotiating agency with trading partners during the 90-day pause. USTR is briefing other U.S. government agencies, the Congressional Committees of Jurisdiction, and stakeholders on the state of play of the negotiations on a weekly basis. USTR will negotiate with trading partners that come forward with meaningful offers and proposals, to reset our trade relationship and address imbalances and the lack of reciprocity, including addressing the lack of reciprocity with respect to tariffs, and the elimination of burdensome, unjustified and discriminatory non-tariff barriers, including in the areas of intellectual property, digital trade, agricultural market access, and others.

Question 3: The U.S. potato industry has sought market access to Japan for fresh table stock potatoes for more than 30 years. Despite efforts from the U.S. Department of Agriculture and the U.S. potato industry, the market remains closed. If opened, the Japanese market would become the largest non-USMCA export market for U.S. fresh potatoes with sales between \$150-\$200 million annually.

• Will you commit to raising the market access issue for fresh potatoes in your negotiations with Japan in connection with the tariffs imposed pursuant to the April 2 executive order?

Answer: Gaining market access for U.S. fresh potato exports to Japan is a top priority for this Administration in any negotiations with Japan. I plan to work closely with the U.S. Department of Agriculture to address this issue in a timely and science-based manner.

Question 4: Canada and the United States share longstanding and meaningful strategic and economic ties. The United States-Mexico-Canada Agreement (USMCA), negotiated under President Trump's first term, further strengthened trade and investment between our two countries, and resulted in Canada ultimately surpassing China as our largest trading partner. I support USMCA and will press that any economic irritants existing between us be addressed in the framework of USMCA.

Toward that end, do you agree USTR should press these issues in the context of a USMCA review, and further—

• Ensure the United States' lumber producers have appropriate recourse against subsidized and dumped lumber, including by not having to have anti-dumping countervailing duties (AD/CVD) determined and reviewed by binational panels;

Answer: The Administration is committed to the robust enforcement of U.S. trade remedy laws. Defending U.S. softwood lumber producers against the injurious effects of unfairly subsidized or dumped imports that harm American producers and workers is critical. I will continue to engage closely with U.S. lumber producers and the Department of Commerce to ensure U.S. lumber producers are able to invest, produce and employ more

Americans and maintain access to the important antidumping and countervailing duty protections available to them under statute.

• Achieve market access for America's dairy producers, including by addressing Canada's administration of its tariff rate quotas; and

Answer: Yes.

• Ensure American companies are not unfairly disadvantaged through discriminatory digital services taxes?

Answer: Yes.

Question 5: You talked during the hearing about the United States being a nation of producers. There is bipartisan support for expanding U.S. semiconductor production. One of the biggest costs for these new factories is advanced manufacturing equipment, some of which is built by companies in allied countries, such as Europe's ASML, which is the world's only manufacturer of the most advanced lithography machines needed to make the most advanced chips. These machines can cost upward of \$100 million each and are necessary to bolster U.S. semiconductor production. Other countries building their own fabs work to ensure that such equipment is exempt from tariffs and other taxes.

• Can you confirm the Administration will take into account the need for U.S. semiconductor manufacturers to have unhindered access to advanced manufacturing equipment, if they are to bolster semiconductor production?

Answer: Increased U.S. production of semiconductors, the technological backbone of our economy, is of critical importance. I look forward to working with you and other members of Congress to use trade and investment policies to promote investment in the United States in the semiconductor sector.

The U.S. Department of Commerce has launched a Section 232 investigation to determine the effects on national security of imports of semiconductors, semiconductor manufacturing equipment, and their derivative products, and I look forward to the outcome of that investigation. As you mentioned, I want America to be a nation of producers, but what we produce is equally important. The Trump Administration is taking a whole of government approach to re-shoring critical industries that are vital to our national and economic security, and I look forward to working with other economic principals within the Administration and Congress to bolster the American semiconductor industry.

Question 6: We talked before about tariff exclusions and exemptions. I agree the law does not require them. However, many companies—including those trying to re-shore to the United

States—need significant time, not just a few months to do so. Adding to their tax bill while they do so is not helpful.

• If the tariffs impede reshoring or cause severe economic harm, will you closely examine the option of a tariff exclusion process?

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 security and economy of the U.S. As a remedy, the President imposed tariffs under the International Emergency Economic Powers Act to address the threat. Some products are not subject to this tariff action due to other considerations. This includes goods already subject to existing Section 232 tariffs (steel, aluminum, autos, and auto parts); goods that may be covered by future trade actions; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion. The full list of country-specific rates and products not subject to the tariffs are listed in the annexes to the order, which are available on the White House website. The President is not considering requests for exclusions or exemptions at this time.

Question 7: American businesses face complex supply chains, including cases where the inputs simply cannot be sourced from the United States, at least in the next few years.

• How do the Administration's tariff measures account for that reality to ensure there are not unintended impacts on farmers, businesses, and consumers?

Answer: For the past five decades, the trade status quo has allowed other countries to leverage non-reciprocal trade measures and unfair practices to get ahead at the expense of American workers and producers. As the President's order explains, a lack of reciprocal trading relationships, including non-reciprocal tariffs and non-tariff barriers, have created large and persistent annual U.S. goods trade deficits. The culmination of these conditions has hollowed out our industrial base, inhibited our ability to scale advanced domestic manufacturing capacity, threatened our global economic leadership, undermined efforts to security critical supply chains, and rendered our defense-industrial base dependent on foreign adversaries. There is no silver bullet to solve these issues, but it is certain that permitting these structural asymmetries and their negative results on U.S. production to continue is not sustainable. These tariffs are one tool to address negative effects of global trade, re-shore manufacturing, and drive economic growth for the American people.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Cornyn.

Question 1: I have heard from some companies that operate globally and often facilitate transactions between consumers and service providers in different countries. Because of this,

they may be taxed multiple times on the same revenue stream — once in the consumer's country, once in the provider's country, and potentially again where the platform is based.

Given the new global tariffs implemented by the Trump administration, and the ongoing concern over digital service taxes that disproportionately impact U.S. companies, does USTR view these tariffs as a potential tool to combat DSTs going forward? If not, what alternative mechanisms is USTR considering?

Answer: Yes. I am also reviewing all of the tools available to me as the U.S. Trade Representative to combat DSTs that disproportionately impact U.S. businesses, including negotiations with trading partners, recourse under any applicable existing trade agreements, and other trade enforcement actions.

Question 2: Under duty drawback provisions, tariffs paid on imports are refunded if the imported product, a product made in the U.S. using that import as a component or a like-kind product, is subsequently exported. Duty drawback is an integral part of tariff policy and makes American exports more competitive in foreign markets while promoting U.S. investment, employment, and manufacturing. While most of the tariffs imposed by the Trump administration allow drawback, some of them, those imposed on Canada, Mexico, and China under the International Emergency Economic Powers Act of 1977 (IEEPA) because of the fentanyl crisis, and the tariffs on steel, aluminum, and autos imposed under Section 232 of the Trade Expansion Act of 1962, restrict the use of drawback.

What effects do duty drawback provisions have on the trade deficit? Would expansion of duty drawback provisions have a net-positive effect on U.S. manufacturing and subsequent exports?

Answer: The Administration is committed to addressing the unusual and extraordinary threat presented by other countries taking advantage of the U.S. as the dumping ground for global overproduction, as well as to revitalizing U.S. manufacturing and ensuring that American exports are treated fairly in overseas markets. The President's Executive Order on Reciprocal Tariffs did not eliminate duty drawback because of its significance for American manufacturers. The Executive Orders invoking IEEPA to address the fentanyl crisis or migration issues, and proclamations under section 232 of the Trade Expansion Act of 1962, have different aims than reducing the goods trade deficit, specifically protecting Americans from the death and community destruction caused by the target countries' enabling the exportation of fentanyl to the U.S. The President has determined that duty drawback should be eliminated to address the national security concerns identified in those actions.

Question 3: On President Trump's first day in office he signed an Executive Order to lift the Biden era "pause" on issuing LNG export permits. Texas produces more LNG than any other state and I am grateful for President Trump's leadership on this issue.

How will USTR prioritize America's newly restored LNG export capacity in your conversations with foreign nations?

Answer: In our conversations with foreign nations, USTR is discussing all ways that foreign countries can work with us to address our structural trade deficit and lack of reciprocity in our economic relationships. This includes promoting the sale of U.S. LNG and ensuring market access for LNG exports.

Question 4: The 2025 National Trade Estimate Report on Foreign Trade Barriers, explains how China is continuing to prioritize it's *Made in China 2025* plan through government funding and government support in order to "cultivate new growth engines such as next generation information technology, [and] artificial intelligence." The Chinese government has clearly stated their goal is to build up their manufacturing capacity and dominate the global market in many critical technologies. I am concerned that U.S. companies are adding fuel to this fire by investing in critical sectors such as in certain AI models, quantum computers, materials used in hypersonic systems as well as other dual-use technologies. We have an opportunity to pass bipartisan legislation that would prevent this – the *Foreign Investment Guardrails to Help Thwart (FIGHT) China Act*, which I believe is consistent with the administration's America First Investment Policy.

What steps is USTR taking to prevent China from succeeding in their Made in China 2025 initiative?

How can Congress work with USTR to ensure the United States is not inadvertently helping to build up Chinese innovation?

Answer: It is clear that China continues to pursue its state-directed targeting of key industries for dominance, whether through industrial plans like Made in China 2025 or by focusing on industrial upgrading, emerging industries, and future industries through its "new quality productive forces" strategy. We continue to be committed to addressing China's non-market policies and practices and the resulting serious harm to American workers and businesses through all available trade tools as necessary to defend our economic interests. With respect to U.S. outbound investment, the Administration is evaluating whether the scope of outbound investment restrictions should be expanded to be responsive to developments in technology and the strategies of countries of concern, including potential new or expanded restrictions on outbound investment in China in sectors such as semiconductors, artificial intelligence, quantum, biotechnology, hypersonics, aerospace, advanced manufacturing, directed energy, and other areas implicated by China's national Military-Civil Fusion strategy. I look forward to working with Congress to ensure U.S. trade policy works to create jobs and prosperity for our workers and industries.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Tim Scott.

Question 1: For companies currently based abroad but planning to relocate operations to the United States within the next year, is there any flexibility or temporary exemption consideration for those transitioning supply chains?

Answer: The Office of the USTR maintains routine engagement with businesses on a variety of trade-related policy matters and in various forums, and it is important that we understand the impacts of trade measures. The President has stated that requests to alter the scope of exempted products are not being considered at this time.

Question 2: What analysis has the USTR conducted regarding the downstream effects of these tariffs on U.S. manufacturers who rely on imported components, and on American consumers facing potential price increases?

Answer: The April 2 tariffs are a Presidential action that covers all imports across supply chains, not just upstream components. Downstream manufacturers now receive protection from foreign competitors via these tariffs, unlike in the past. Original Equipment Manufacturer's (OEM's) that produce in America are able to invest more, produce more and employ more because of this added protection from foreign predatory behavior. USTR, alongside others who advise the President on trade policy, continue to analyze the demand, supply and price elasticities, trade diversion and other economic effects. However, USTR cannot discuss the specifics of these analytical processes, as they are inherently deliberative processes performed on behalf of the President of the United States, so I cannot comment further.

Question 3: Is USTR and the Administration considering an exemption process for companies that have moved their imported goods from adversaries, like China, to countries that the United States considers allies? What is the best way for companies of any size to express their need for an exemption?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles

that may become subject to future Section 232 remedies; energy products; and others. Requests to alter the scope of exempted products are not being considered.

Question 4: How does the Administration plan to support and recognize those manufacturing companies in the U.S. that are also exporting a significant percentage of products produced at their U.S. facilities? Is the Administration considering, for example, a "duty credit" received for vehicles exported from U.S. manufacturing facilities, which could be applied against the tariff imposed on an imported vehicle?

Answer: The Section 232 tariffs on automobiles and automobile parts are a Department of Commerce matter. That said, the President and his economic advisers, including the U.S. Trade Representative, are exploring a range of options to increase manufacturing output in the automobile sector.

Question 5: Under 232 auto tariffs, there is potential for auto parts subject to tariffs to capture parts that go into other vehicles like the Side by Sides and ATVs made in Timmonsville, South Carolina, and exported around the world. This plant is one of the largest employers in a rural area, and there are concerns about the unintended consequences for industries that are not part of what the Administration has ruled, which is a strategic threat to national and economic security. How will the administration ensure the non-auto sector is not charged a 25% tariff on imported parts for ATVs and side-by-sides?

Answer: I appreciate you bringing attention to this matter. That said, The Section 232 tariffs on automobiles and automobile parts are a Department of Commerce matter. I would encourage you to raise these issues with Commerce directly.

Question 6: Imported agricultural inputs used by US farmers are exempted to keep the costs of US farming down. However, auto parts are not afforded the same treatment as inputs for finished vehicles. Why doesn't the Administration apply tariffs to autos and not auto parts (like how Canada has responded with its 25% retaliatory tariff on US imported vehicles)? Would you support relief for U.S. auto parts suppliers and the auto industry?

Answer: As above, the Section 232 tariffs on automobiles and automobile parts are a Department of Commerce matter. That said, the President and his economic advisers, including the U.S. Trade Representative, are exploring a range of options to increase manufacturing output in the automobile sector.

Question 7: PET resin production in the U.S. is already under significant pressure from unfairly traded imports, and it's currently subject to antidumping duties on imports from China, Canada, India, and Oman. However, many Asian exporters, such as Taiwan, Korea, Pakistan, Vietnam,

and Thailand, still send us PET resin without the higher input costs U.S. manufacturers face and are now benefiting from the reciprocal tariff exclusions. Can the USTR review whether the inclusion of PET resin (under HS subheadings 3907.61.00 and 3907.69.00) on Annex II of the Reciprocal Tariffs was intended, given the product's strategic relevance to U.S. petrochemicals manufacturing? Could you speak to the rationale for including PET resin on the exclusion list, and whether there's an opportunity to revisit this considering the potential cost pressures and import shifts that could disadvantage U.S. producers?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. The President has not instituted a process for exemptions or exclusions.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Cassidy.

Question 1: When Treasury Secretary Alexander Hamilton's tariff was enacted by Congress in 1789, it included the country's first export promotion program, duty drawback. Drawback has been in integral part of the tariff ever since. Drawback, the refund of the tariff paid on an import if that product, a product made in the US using that import as a component, or a like-kind product is exported, makes American exports more competitive in foreign markets. Drawback promotes US exports, leading to US investment, employment, and manufacturing. A recent Bloomberg article suggests that President Trump's trade team is considering a new tax credit for exporters as they strive to grow market share in foreign markets. We already have one tax credit for exporters—drawback. However, while most of the tariffs imposed by the Trump administration allow drawback, some of them, those imposed on Canada, Mexico, and China under the International Emergency Economic Powers Act of 1977 (IEEPA) because of the fentanyl crisis, and the tariffs on steel, aluminum, and autos imposed under Section 232 of the Trade Expansion Act of 1962, restrict the use of drawback. One way of immediately adopting a tax credit for US exporters is to simply amend the Executive Orders to eliminate the restriction on drawback. More tax relief may come; restoring drawback has immediate impact and is consistent with the intent of drawback since 1789. Would you agree that using the established and proven export tax credit provided by the duty drawback program is a fast and easy solution and should be invoked for all tariffs applied by the Administration?

Answer: Tax policy is outside of the statutory jurisdiction of the Office of the U.S. Trade Representative. To that point, it may be worth highlighting that the President imposed the

IEEPA tariffs and the Section 232 tariffs. The Administration will continue to study solutions to a range of trade policy issues.

Question 2: The Report to the President on the America First Trade Policy explains the importance of reshoring industrial production to national security and mentions additional sectors that merit consideration for new Section 232 investigations, including pharmaceuticals, semiconductors, and critical minerals. As you know, seafood production is a significant part of Louisiana's economy as well as the culture and history of our state. The FDA estimates that although just 15 percent of the total food Americans consume is imported, for seafood, 94 percent of what is consumed by Americans comes from overseas. Ambassador Greer, aren't their national security concerns with being this reliant on foreign sources of supply for seafood in this country?

Answer: I agree that reliance on foreign imports of seafood to the United States creates supply chain vulnerability and can have a negative impact on our domestic fishing industry. I fully support the development and implementation of a comprehensive seafood trade strategy, as called for in the April 17, 2025 Executive Order on Restoring American Seafood Competitiveness, and am committed to working with the White House and leadership across the U.S. government, and engaging with stakeholders to increase the domestic market share of U.S. fisherman as well as addressing unfair trade practices.

Question 3: The Report to the President on the America First Trade Policy states that the USTR has identified more than five hundred unfair and non-reciprocal trade practices, with many more identified during the public comment process. The shrimp industry in my state enthusiastically participated in that public comment process, describing the global overcapacity in shrimp aquaculture production, the continued use of banned antibiotics in foreign shrimp farming, forced labor practices throughout shrimp supply chains, and subsidization of the industry by foreign governments and international financial institutions. Can you provide me with a short summary of what recommendations were made by the USTR to address these concerns?

Answer: I appreciated the robust participation by the U.S. shrimp industry in the public comment process. The America First Trade Policy report to the President is confidential, and I am not able to disclose any specific recommendations. However, as is indicated in the public executive summary, we recognize the significant problems caused by subsidized and illegal foreign fishing that underlies excessive shipments to the U.S. and drives domestic producers out of the marketplace.

Question 4: Louisiana shrimpers have asked us to stop any further development funding of foreign shrimp industries by institutions like the World Bank and International Finance Corporation. The buildup in the production of this commodity has destroyed the global market for shrimp, harming the industry in my state and, frankly, all shrimp producers around the

world. I have raised this issue directly with Secretary Bessent and asked that the Treasury Department work to prevent any further funding of shrimp aquaculture overseas. Similarly, Ambassador Greer, can you tell me what the USTR and this Administration will do to end further development funding of foreign shrimp industries?

Answer: I understand that other countries are developing and expanding their seafood industries, flooding the U.S. market with shrimp priced at under market value, which harms domestic industry and undermines U.S. competitiveness in our home market as well as in global seafood markets. I am aware of industry's concerns and look forward to working with you and my fellow cabinet members to address the unfair advantages foreign shrimp industries have over U.S. shrimpers.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Todd Young.

Question 1: Executive agreements offer speed, but without the structure of Trade Promotion Authority (TPA), their long-term impact can be limited—especially in complex, strategic sectors like critical minerals, where TPA brings legitimacy, predictability, and congressional buy-in.

- A) Do you believe there's a case for restoring sector-specific TPA—focused on critical minerals and potentially other strategic sectors—as a way to enable the negotiation of narrowly tailored, binding agreements with allies?
- B) In light of recent actions by China to restrict certain critical mineral exports, how is USTR working with trusted partners to advance critical minerals deals, and would a sector-specific TPA framework strengthen those efforts?

Answer: China's dominance in critical minerals and other strategic sectors is of significant concern. The Trump Administration is focused on this issue and is exploring how to improve the resiliency of critical minerals supply chains. I look forward to working with you to explore the use of trade actions to address this problem, consistent with law.

Question 2: The 2025 National Trade Estimate Report rightly highlights the growing wave of digital trade barriers abroad—an issue overlooked by the previous Administration. From Europe's Digital Markets Act to China's content controls and proposals in allied countries like South Korea, we're seeing regulations that, while framed as neutral, disproportionately target U.S. companies operating at scale.

If allies adopt digital regulations modeled on European rules that don't explicitly target the U.S., but still harm American companies, how should we respond diplomatically to protect U.S. interests, and do you believe we have the right tools to create meaningful incentives for countries to reconsider rules that unintentionally restrict access to their markets?

Answer: Advancing digital trade is a key objective of U.S. trade policy. In his recent Defending American Companies and Innovators From Overseas Extortion and Unfair Fines and Penalties Presidential memoranda, President Trump made it clear that the U.S. will oppose discriminatory measures that target U.S. technology companies, including EU measures. I intend to address those measures that undermine U.S. competitiveness and technological leadership, and am exploring using any and all of the tools available to me as the U.S. Trade Representative.

[USTR did not receive a Question 3].

Question 4: Some essential agricultural imports like cocoa, coffee, and spices can't be produced domestically at scale, making their continued availability dependent on reliable global trade.

Is USTR considering an exception process for essential agricultural inputs that cannot be commercially produced in the U.S., and if not, would you be open to a narrowly tailored, timelimited exemption pathway in cases where clear inflationary impacts are evident?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. Requests to alter the scope of exempted products are not being considered.

Question 5: The U.S. recreation vehicle industry—a major employer in states like Indiana—is now subject to Canadian retaliatory tariffs, despite a significant trade imbalance in RV exports.

As other sectors raise similar concerns, how is the Administration approaching the potential impact of such retaliation, and what tools are available to support affected industries?

Answer: President Trump is working to level the playing field for American businesses and workers by confronting the unfair tariff disparities and non-tariff barriers imposed by other countries. These structural asymmetries cannot be allowed to continue. In our conversations with other countries, USTR is discussing all ways that foreign countries can work with us to address the lack of trade and reciprocity in our economic relationships while limiting the negative effects on American workers and businesses.

Question 6: With important trade discussions underway, ensuring strong representation for U.S. agriculture remains a priority—particularly as market access challenges persist in key regions and the Chief Agricultural Negotiator role remains unfilled.

A) Do you see continued value in the Chief Agricultural Negotiator role, and in the absence of a confirmed nominee, how is USTR ensuring that U.S. agriculture remains well-represented in ongoing and upcoming trade negotiations?

Answer: The Chief Agricultural Negotiator serves a critical role in the USTR leadership team, advocating for American agriculture, and collaborating with agricultural stakeholders and Members of Congress to ensure that President Trump's America First Trade Policy advances the interests of American farmers and ranchers.

B) How does USTR plan to approach negotiations with trading partners on reciprocal tariffs under IEEPA, and to what extent will the Administration leverage these tools—alongside comprehensive trade agreements—to expand market access for sectors like pork, soybeans, corn, and poultry?

Answer: Numerous trading partners are approaching USTR with proposals and offers to rebalance our trade relationships and ensure reciprocity. USTR intends to vigorously pursue new market access opportunities for American agriculture and ensure that any agreements remain in the interest of American farmers, ranchers, growers, workers, manufacturers, and service providers.

Question 7: Automakers have raised concerns about uncertainty surrounding the implementation of Section 232 auto tariffs, particularly regarding how U.S. content will be determined and when standard compliance procedures will be available. How is USTR coordinating with relevant agencies to ensure clear guidance is provided in a timely manner, so manufacturers can plan accordingly without risking disruption to operations or trade compliance?

Answer: The Section 232 tariffs on automobiles and automobile parts are a Department of Commerce matter. That said, the President and his economic advisers, including the U.S. Trade Representative, are exploring a range of options to increase manufacturing output in the automobile sector.

Question 8: I firmly support the goal of revitalizing U.S. shipbuilding, but how is USTR assessing the potential impact of the proposed port fees on Chinese-built or -operated vessels—particularly on export-dependent sectors like energy and agriculture?

Answer: The Section 301 action announced on April 17 will begin to reverse China's targeting for dominance of the maritime, shipbuilding, and logistics sectors, address threats to the U.S. supply chain, and send a demand signal for U.S.-built ships. These actions balance the need for action and the importance of limiting disruption for U.S. exporters, including for sectors like agriculture and energy. Fees and restrictions will be phased in and increase gradually, with remission available in certain cases for ordering and taking

delivery of a U.S.-built vessel. Fees on Chinese-built ships effectively do not cover smaller categories of vessels or bulk commodity exports on ships that arrive in the United States empty. USTR will monitor the effectiveness of the fees and restrictions closely.

Question 9: In the absence of a fully comprehensive trade agreement, every negotiation has to balance ambition with practicality. When there's only so much room to maneuver, it becomes even more important to prioritize the barriers that matter most.

With that in mind, how is USTR setting priorities in limited-scope or sectoral negotiations, and which non-tariff barriers are you most focused on addressing to deliver tangible outcomes for U.S. industries?

Answer: In our conversations with other countries, USTR is discussing all ways that foreign countries can work with us to address the trade imbalance and lack of reciprocity in our economic relationships. As part of the negotiations under the 90-day tariff pause, USTR is engaging with other U.S. government agencies, Congressional Committees of Jurisdiction, and stakeholders on a weekly basis to share information on the state of play and hear their advice and perspectives.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Roger Marshall.

Question 1: Given the critical role the aviation industry plays in both the Kansas economy and the broader US economy, can you provide insights into how USTR is assessing the impact of reciprocal tariffs on US aviation manufacturers and suppliers, like Spirit AeroSystems in Kansas?

Answer: As President Trump's Executive Order lays out, these tariffs are in response to a national emergency created by the underlying conditions indicated by the large and persistent global trade deficit. We are monitoring the impacts of these measures, including those on the aviation industry. I look forward to working with you on ways to support American aviation manufacturers.

Question 2: America and the Chinese Communist Party compete for global leadership in the emerging field of gene editing for soybeans, corn, wheat and other commodity crops. The CCP has a long history of trying to steal American seed breeding IP through both covert and overt methods, including demanding that non-Chinese innovators provide proprietary information to the Chinese government as part of product regulatory reviews. China's ag-biotech regulatory regime requires U.S. companies to turn over detailed genomic data and elite seed variety samples (including from my home state of Kansas) that no other countries require, which can be

replicated in a short time. How is your Office coordinating with the Department of Commerce to prevent forced tech transfer of US gene editing technology?

Answer: While China made a number of commitments under the Phase One Agreement regarding its regulatory approval system for products of agricultural biotechnology, we continue to have concerns relating to the lack of transparency, lack of science and riskbasis, and the apparently discriminatory nature of China's biotechnology approval process. For many years, longstanding and serious U.S. concerns regarding forced technology transfer remained unresolved, despite repeated, high-level political commitments by China to remove or no longer pursue problematic policies and practices. Then, in 2018, as a result of USTR's Section 301 investigation into China's policies and practices related to technology transfer, intellectual property and innovation, the United States imposed substantial additional tariffs on imports from China. In the U.S.-China Economic and Trade Agreement, known as the Phase One Agreement, which was signed in 2020, China then committed not to force foreign companies to transfer their technology to Chinese companies. While USTR subsequently raised concerns with China whenever it learned of possible forced technology transfer, it is clear that this problematic practice did not stop. Following the completion of the statutorily mandated four-year review, USTR announced in September 2024 that the Section 301 tariffs would be maintained across the board, with increased tariffs on Chinese products in targeted strategic sectors. China's lack of compliance with the Phase One Agreement, including the technology transfer related commitments, remains a serious concern. USTR assessed this lack of compliance and is considering potential responses.

Question 3: What steps has USTR and the Administration taken towards the USMCA dairy pricing article review and how will you use this opportunity to ensure Canada is held accountable for its dairy trade commitments?

Answer: USTR has consulted with stakeholders on the concerns they have raised regarding Canada's dairy pricing and exports. We are working with USDA to analyze and assess the relevant issues to determine the most effective path forward to address these concerns.

Question 4: Given the disappointing outcomes of the first two agricultural disputes under USMCA (dairy TRQ administration in Canada), how do you plan to work across the Administration within the review process to ensure US dairy exporters are able to achieve the market access promised under the Agreement?

Answer: We will consider all options to ensure our dairy sector receives the full benefit of the market access the United States secured under the USMCA, working with USDA.

Question 5: How do you intend to ensure the recent tariff negotiations with Mexico and Canada do not endanger USMCA but instead can be used to bolster the Agreement and the problems U.S. agricultural producers have seen with it?

Answer: The Administration has exempted USMCA originating goods from Canada and Mexico from the 25% IEEPA tariffs regarding the fentanyl and migration emergencies, and the Administration has not included Canada and Mexico in its reciprocal trade actions. USTR will lead the 2026 Joint Review of the USMCA. Our focus in the Review will be to ensure that it remains in the interest of American workers, farmers, ranchers, manufacturers, and service providers. Numerous changes are needed, such as stronger rules of origin to reduce the inflow of non-market economy content into the United States, expanded market access – especially for dairy exports to Canada, and action to address Mexico's discriminatory practices, such as in the energy sector.

[USTR did not receive a Question 6.]

Question 7: Are you aware of the record levels of imported waste products that are competing with American agriculture for domestic biofuels markets? How can we combat this to protect our markets for American agriculture?

Answer: I am aware of the record levels of imported waste products, such as used cooking oil (UCO), particularly from China, being imported into the United States in recent years. This Administration is committed to ensuring that U.S. agricultural products are prioritized as feedstocks used in biofuels production. In addition to existing duties, UCO imported from China is now subject to additional tariffs under the International Emergency Economic Powers Act. In addition, USTR supports Treasury's efforts to curb imported waste products, such as UCO, through its implementation of the 45Z clean fuel production credit. Earlier this year, Treasury released guidance on the 45Z credit that restricts the eligibility of fuel pathways using imported UCO, given concerns about fraudulent UCO from foreign sources (for example, virgin palm oil mislabeled as UCO), until the Treasury Department and the IRS issue further guidance.

Question 8: How will USTR play a role in ensuring American farmers are on a level playing field when marketing their grain to domestic markets?

Answer: American farmers and ranchers can compete with anyone else in the world, in this market and beyond, so long as they have a level playing field. President Trump has provided USTR with the leverage needed to execute the America First Trade Policy to address harmful practices, promote the competitiveness of U.S. agriculture at home and abroad, and to ensure that we are treated fairly.

Questions for the Record submitted to The Honorable Jamieson Greer from Ranking Member Wyden

Question 1: One of the cornerstones of USMCA is the Brown-Wyden Rapid Response Labor Mechanism (RRM), a facility-specific enforcement mechanism to protect workers' rights in Mexico and ensure a level playing field for American workers. The Trump Administration announced a new RRM case in early April. However, the Administration made a decision to stop funding grants for the Department of Labor's Bureau of International Labor Affairs (ILAB), which supports RRM work. How does USTR plan to achieve serious results with the RRM when the Administration is concurrently gutting the staff and resources needed for that work?

Answer: As the United States Trade Representative, I agree that ILAB has an important role to play in supporting high-wage jobs in the United States. The RRM is a trade enforcement tool worked on by staff at both USTR and DOL and is distinct from ILAB's grantmaking and programmatic activities. There have already been two new RRM cases announced under the Trump Administration, and I intend to continue to use the RRM to enforce Mexico's labor obligations. It has been an effective tool in leveling the playing field for American workers, ensuring that facilities in Mexico cannot gain an unfair advantage by violating workers' rights to freedom of association and collective bargaining. With respect to other labor enforcement activities, I continue to have discussions with Department of Labor (DOL) Secretary Chavez-DeRemer regarding ILAB and the important role it plays in coordination on labor obligations in U.S. trade agreements.

Question 2: When the Administration announced its global tariffs on April 2, 2025, China responded with a 34% retaliatory tariff. Since then, tit-for-tat escalation has ensued. China's retaliatory tariffs risk shutting American exporters, including farmers, out of the Chinese market. What is USTR's plan to address the retaliatory tariffs China has imposed?

Answer: I look forward to engaging with you on specific market access priorities and helping to protect our exporters, including our farmers, against retaliation. China depends far more on the U.S. market overall than the U.S. depends upon the Chinese market. And Beijing's retaliation harms their own people and companies with rising costs and limited supplies even as we reduce our funding of China's military and economy through the President's emergency powers actions.

Our farmers are the best in the world and deserve fair and reciprocal access to global markets. President Trump protected farmers after Section 301 tariffs were imposed during his first administration and continues to look out for the interests of agricultural producers. Since the President imposed the reciprocal tariffs, more than 70 countries have approached the Administration to explore how to achieve reciprocity in our trade relationship by reducing their tariffs and non-tariff barriers, which has been welcomed. This may also result in obtaining alternative markets for our exporters. But unfortunately, China made a different choice and decided to retaliate, not only with tariffs but also with non-tariff measures, which only worsens the underlying longstanding lack of reciprocity. President Trump wants fair, balanced, and reciprocal trade and our goal is to address the

lack of reciprocity in the trade relationship with China and its market-distorting practices, so that we can find a balance that preserves trade while ensuring U.S. economic interests. This adjustment may be challenging at times, but I am confident the American people will rise to the occasion as they have done before.

Question 3: When the Administration announced its global tariffs on April 2, 2025, it imposed tariffs on imported goods from allies and adversaries alike. This includes countries that are Free Trade Agreement (FTA) partners, such as Australia and Korea, as well as countries that are beneficiaries of U.S. trade preference programs, such as Haiti, Kenya, and Lesotho. Why did the Administration—without any consultation with Congress—impose tariffs on trading partners to whom Congress, using its Constitutional authority over trade, saw fit to grant duty-free treatment?

Answer: Congress delegated authority to the President through IEEPA to take various types of actions to address national emergencies, including the authority to regulate importation of foreign goods. This includes the imposition of duties. The President exercised this delegated IEEPA authority in his April 2 Executive Order because the threat to national security and the U.S. economy was and is global. Bilateral actions and solutions outside the IEEPA context have proven ineffective as the economic and national security degradation from unbalanced imports is a global phenomenon and the U.S. has served as the world dumping ground for foreign overcapacity. The imposition of duties directly addresses that national emergency. As part of that exercise of the President's delegated authority, and subject to certain exemptions, there is a 10 percent baseline duty that applies to all trading partners to ensure that there is no circumvention of the order, and a higher additional duty rate for those trading partners with whom the United States runs particularly large goods trade deficits. Those countries subject to higher additional duty rates include, for example, Korea, with which we have run a significant goods trade deficit with in recent years, notwithstanding our FTA. The President has suspended imposition of these higher additional duty rates for 90 days given the willingness of dozens of countries to address the imbalances and lack of reciprocity about which the President is concerned.

Question 4: With its Belt and Road Initiative, China remains a seriously competitive economic adversary in countries where the United States desperately needs to gain market access, including parts of Southeast Asia and sub-Saharan Africa. You have said that the Administration is negotiating deals with trading partners to address market access issues and lift the global tariffs imposed on April 2. However, it is not clear that any commitments made would be durable, which risks leaving America's farmers and ranchers back where they started. How would USTR ensure the durability of any commitments made by trading partners related to market access and removal of non-tariff barriers? How would USTR assure trading partners that the United States will uphold its end of the bargain?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). The non-reciprocal treatment of the United States is evidence of our trading partners failing to live up to their

commitments to U.S. in spite of our nation's willingness to provide them with market access.

These tariffs are the clearest signal the United States could send that we will no longer tolerate discriminatory actions taken against our producers, demonstrating to our partners that we take their tariff and non-tariff barriers seriously and that we will take action to address them. Our farmers and ranchers can rest assured that we will use every tool at our disposal to achieve new market access that sticks.

The United States has a decades long track record of providing extraordinary access to our market, and we remain the most attractive destination for foreign exports, but that access is not a right. The United States is committed to fairly dealing with our trading partners as we have done since our founding, and we expect other countries to hold themselves to the same standard.

Question 5: On April 2, 2025, President Trump declared a national emergency and announced the imposition of global tariffs in response, with certain tariffs scheduled to take effect April 5, 2025 and certain higher, country-specific tariffs scheduled to take effect April 9, 2025. However, on April 7, 2025, rumors began to fly about the potential for a 90-day pause with respect to certain tariffs. The White House dismissed the rumors as "fake news," and, on April 8, 2025, White House Press Secretary Karoline Leavitt told the press that the President was not considering an extension or delay. On April 8, 2025, I asked you whether the higher tariffs would go into effect on April 9, as announced, and you responded: "Yes, Senator, they're scheduled to go into effect [...] The nature of the emergency is not something we can wait on any more, so we will have the president's plan go into effect." However, on April 9, 2025, President Trump reversed course, announcing via social media that he was, in fact, deciding to wait to respond to the emergency you had called urgent, and would be pausing the implementation of the country-specific tariffs.

a. President Trump announced the 90-day pause at 1:18 p.m. on April 9, 2025, in a social media post he said "was written from the heart" alongside Commerce Secretary Lutnick and Treasury Secretary Bessent. You were in the middle of testifying before the House Ways and Means Committee, during which you failed to discuss the potential for such action. When did you learn the President was considering a partial pause, and when did you learn he would, in fact, be implementing one?

Answer: The President finalized a decision to pause temporarily and partially the duties during my hearing with the House Ways and Means Committee on April 9. The Administration previously explored several options for the duties going forward, but I am not in a position to disclose my private conversations with the President.

b. Secretary Bessent described the sudden about-face as the President's plan all along. However, when asked by reporters why he reversed course and implemented the partial pause, President Trump cited the markets: "Well, I thought that people were jumping a little bit out of line. They were getting a little bit yippy [...] a little bit afraid." Please

explain the Administration's rationale for the partial pause, given that you had previously testified that the nature of the emergency was such that action could not wait?

Answer: As Executive Order 14266 of April 9, 2025 explains, with the exception of China, which retaliated against the United States by imposing its own duties on U.S. imports, more than 75 foreign trading partners, including countries subject to the higher, individualized duty rates imposed under the April 2 Executive Order, have approached the United States to address the lack of trade reciprocity in our economic relationships and our resulting national and economic security concerns. In his April 9 Executive Order, the President explained that was a significant step by these countries toward remedying non-reciprocal trade arrangements identified in the April 2 Executive Order and aligning sufficiently with the United States on economic and national security matters. Therefore, the President determined that it is necessary and appropriate to address the national emergency declared in the April 2 Executive Order by temporarily suspending, for a period of 90 days, application of the individual, higher duty rates imposed for foreign trading partners, only applying the baseline 10 percent rate to all trading partners except China.

- c. The partial pause is set to end in early July. Is the President considering another postponement of his country-specific global tariffs?
 - i. Please explain how the Administration will decide whether to impose or defer the country-specific tariffs in July, and please state whether and to what extent the parameters of this decision-making process have been communicated with trading partners.

Answer: As Executive Order 14266 of April 9 explains, the President imposed the 90-day partial pause of the higher, country-specific duties, based on the fact that various countries had approached the United States to address the lack of balance and trade reciprocity in our economic relationships and our resulting national and economic security concerns. The Administration is committed to achieving agreements with trading partners as expeditiously as possible to address the national emergency he has identified. I view the President's directive as a deadline for negotiations, but he retains discretion consistent with the law and the appropriate response to the emergency.

Question 6: On April 8, 2025, in your testimony before the Finance Committee, you responded to Senator Lankford's question about the Administration's plan for exclusions from the global tariffs by saying that "the president has been clear with me and with others that he does not intend to have exclusions and exemptions, especially given the nature of the action. If you have Swiss cheese in the action, it can undermine the overall point, which is to get rid of the deficit, achieve reciprocity." You provided a similar response to Senators Tillis and Warnock. However, on April 9, 2025, Donald Trump said he was, in fact, open to tariff exemptions for specific companies. And on April 12, 2025, the Administration announced exclusions for certain electronics products, including smartphones, computers, and semiconductors, among others.

- a. Please provide the Administration's rationale for providing tariff exclusions for these electronics goods.
- b. In defending the Administration's tariff policies before the Finance Committee, you argued they are necessary to onshore domestic manufacturing: "We're trying to incentivize production in the United States. We want North America to be competitive. We can't have the status quo. We have to have a situation where we have manufacturing here." Yet, by exempting finished electronics goods from the tariffs, but imposing tariffs on electronics manufacturing inputs, you have effectively made it more expensive to manufacture electronics in the United States than to import electronics from China. Please explain your considerations in this policy decision.
 - i. On April 13, 2025, Commerce Secretary Lutnick told the press that the electronics exclusions are temporary and that these products would be subject to a forthcoming tariff on semiconductors, with the goal of onshoring.
 - ii. USTR is in the midst of a Section 301 investigation into China's targeting of the semiconductor industry, and the Commerce Department has launched a Section 232 investigation into imports of semiconductors and semiconductor manufacturing equipment. Both statutes require an investigation and a report prior to issuing remedies, including tariffs. Do Secretary Lutnick's comments presuppose the results of USTR's ongoing investigation?
- c. Should I expect additional tariff exclusions for other sectors or products? How is the Administration making these decisions, and is there a way for the American people to weigh in?
- d. Even without a formal exclusion process through which companies could request tariff exclusions for certain products, it appears the Administration has effectively provided tariff exclusions for certain companies, products, and product categories. This includes the products covered by Annex II—which are not subject to the Administration's global tariffs at all and include certain farm inputs, certain pharmaceutical goods and inputs, certain critical minerals, lumber, copper, and energy products—in addition to the aforementioned electronics exclusions.
 - i. How did the Administration determine which products would receive exclusions from the global tariffs? Was there any stakeholder consultation process, and, if so, is there a record of such action?
 - ii. I am concerned that this ad hoc exclusions process has provided a means for politically connected companies and industries to get a reprieve from the tariffs, while other companies, including small businesses, remain subject to the Administration's tariff hikes. What specific steps have you taken, and will you take, to ensure this is not the case?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. Electronics are identified as becoming subject to future Section 232 actions thus are covered by those

actions and not the reciprocal tariff. Requests to alter the scope of exempted products are not being considered.

Question 7: On April 1, 2025, USTR and other trade agencies submitted a report to President Trump providing him with recommendations for trade actions, which reportedly became the basis for the Administration's global tariffs announced on April 2, 2025. The report is said to cover topics of critical interest to Congress and the American people, including tariff policy recommendations, a review of foreign trade barriers, a review of existing trade agreements, recommendations for new trade agreements, a review of trade enforcement tools, and recommendations for trade policy towards China, among others. USTR and the White House have so far refused to provide Members of Congress with the report, despite bipartisan requests and our constitutional authority over trade. While I appreciate that your staff made time to brief my staff, that briefing was light on details and contained information that was markedly different from what eventually came out of the White House. The public summary of the report that was published online is similarly inadequate in providing transparency to me, my fellow senators, and the American people.

- a. Will you commit to making this report public in its entirety?
- b. If not, will you commit to making this report public with sensitive information redacted?
- c. Will you commit to providing Members of Congress and cleared Congressional staff with the unredacted report?

Answer: Pursuant to the January 20, 2025 Presidential Memorandum on the America First Trade Policy (AFTP), the President instructed me and other Administration officials to report to him on April 1, 2025, on the topics set forth in Sections 2(a) through 4(g) of the Presidential Memorandum. The Presidential Memorandum on AFTP does not instruct USTR to release that report or submit it to Congress, and I will follow the President's direction with respect to these issues. Nonetheless, the White House released a public executive summary of that Report on April 3, and USTR staff briefed your staff on the Administration's findings before publication. I also will continue to engage with you and members of the Committee on relevant issues covered in the Report as appropriate.

Question 8: National Economic Council Director Kevin Hassett told the press that at least 130 countries are negotiating trade deals with the United States.

- a. Please provide me with a list of countries with which the Administration is negotiating, as well as the Administration's specific negotiating objectives for each.
 - i. Is USTR leading negotiations with each of these negotiations? If not, please provide the lead official for each negotiation and their specific negotiating authority.
 - ii. What is the timeline for each negotiation?
 - iii. Will you commit to providing a public consultation process for each negotiation?
- b. Given limited resources, as well as limited time until the end of the Administration's partial tariff pause, how is the Administration prioritizing countries for negotiations?
- c. Will you commit to memorializing any deal reached with formal documentation?
- d. Will you commit to submitting any deal reached to Congress for approval?

Answer: As I discussed at my nomination hearing, I will continue working closely with Congress on formulating U.S. trade policy. USTR has apprised Congress of number of ongoing negotiations with trading partners that USTR is leading, and USTR has begun the process of sharing the list of countries and negotiating objectives for these negotiations with Committee staff. USTR will continue to consult with Congress on the proposed negotiating objectives for each negotiation.

USTR is leading negotiations with our trading partners, and USTR seeks to negotiate and conclude agreements in each of these negotiations where such agreements might help resolve the national emergency declared by the President.

In advance of the April 2 IEEPA action, USTR asked the public for comment on non-reciprocal or problematic trade practices by our trading partners, and this informed the IEEPA action and informs our negotiating. Given the accelerated timeline of these negotiations, USTR cannot commit to providing another public consultation process for these negotiations. However, USTR has provided and will provide Congress with an opportunity to comment on proposed negotiating texts prior to USTR sharing them with a foreign trading partner consistent with our statutory obligations and will keep Congress apprised of developments with specific trading partners.

We are prioritizing negotiations with trading partners willing to take measures that will lower our bilateral goods trade deficits, directly addressing the national emergency that the President declared on April 2. I commit to memorializing these agreements formally.

Given that these agreements, if accepted, will rebalance trade with the particular foreign trading partner, the vast majority of commitments they contain will be made by the foreign trading partner, not the United States. To the extent that the United States does make a commitment in these agreements, I do not foresee that any U.S. law would need to be changed. As such, USTR will negotiate and conclude these agreements as executive agreements. USTR will share the text of country-specific reciprocal trade agreements with Congress prior to concluding and signing them.

Question 9: Four countries are completely exempt from the global tariffs announced by President Trump on April 2. These countries are Russia, Belarus, Cuba, and North Korea—the countries that do not have normal trade relations with the United States.

Secretary Bessent said these countries were excluded because they are separately subject to sanctions that limit trade. The United States does maintain a number of sanctions on Russia, e.g., prohibitions on importation of seafood, alcoholic beverages, and industrial diamonds. However, according to USTR, the United States still imported about \$3 billion of goods from Russia in

2024. In addition, other countries that face sanctions, like Iran and Syria, are subject to the global tariffs, while Russia was spared. And while the four excluded countries are subject to different (often higher) tariff rates under "Column 2" of the Harmonized Tariff Schedule, the Column 2 rates for some goods are equal to, or only slightly higher than, the most-favored nation (MFN) rates that apply to other countries. Because the President added a global tariff of 10% to the MFN rate and may further increase country-specific rates, this means that in some cases, the Column 2 rate is actually lower than the rate for countries subject to the global tariffs, giving Column 2 countries like Russia a competitive advantage.

- a. Did USTR recommend excluding these countries?
- b. Why were Russia, Belarus, Cuba, and North Korea excluded from the global tariffs, even as other countries subject to sanctions were included?
- c. Is it the intent of this Administration to give an adversary like Russia a competitive advantage over U.S. allies?
- d. President Trump has previously suggested he may lift sanctions on Russia. This has the potential to give Russia an even greater competitive advantage in comparison to countries subject to the global tariffs. Is it the intent of this Administration to lift sanctions on Russia?
- e. Does this Administration consider Russia to be an adversary of the United States?

Answer: These are countries with which the United States does not have normal trade relations. The trade imbalance which underlies the national emergency does not arise from those countries because their goods are already subject to duties that are significantly higher than our regular rates. Those rates preclude meaningful trade with the United States. No additional action was needed as a remedy to the national emergency, nor are we seeking improved terms of trade with these countries. However, this does not preclude possible future actions involving these countries.

Ouestions for the Record submitted to The Honorable Jamieson Greer from Senator Bennet.

1. Americas Act

In 2000, trade between China and Latin America (LAC) was worth \$12.5 billion. In 2024, it was worth over \$500 billion. That's an increase of almost 4,000 percent. China is building roads and ports – and political ties – across the region, and is a leading creditor in the region as well. And the United States Southern Command reports that China uses economics to coerce LAC governments.

I appreciate this administration's focus on the LAC region, as reflected by Secretary of State Marco Rubio's early travels to the region. But we must do more to integrate our hemisphere – both to have the economic heft necessary to compete with China and push back against China's influence in the region – instead of driving trade tensions with our closest partners.

That's why my colleague Senator Cassidy and I lead the Americas Act, which would prioritize trade and economic engagement in our hemisphere after decades of neglect. Our bill would promote greater integration on supply chains, energy, and immigration, among other provisions. It would finally provide a durable strategy to counter China's growing influence and generate significant economic opportunities for American workers and companies.

Will you commit to further existing trade agreements like the U.S.-Mexico-Canada Agreement (USMCA) – and working with Congress – to deepen cooperation and integration with our neighbors?

Answer: I agree that moving supply chains back to the Western Hemisphere is a more desirable situation than the status quo. I will consult with Congress on how to ensure that trade among our neighbors in in America's interest.

Do you support building on the USMCA's success by, as part of the 2026 review, starting a process to allow other countries from the region to join that agreement or a similar agreement, should they meet USMCA standards?

Answer: We do not have plans to allow other countries from the region to join the USMCA during the 2026 Review process.

2. USMCA and Energy

In recent years, Mexico has taken a number of actions inhibiting private companies' ability to participate in its energy markets. These steps hindered private sector investment, threatened U.S. companies and their workers, and undermined North American energy integration and our regional competitiveness.

The Biden administration requested consultations with Mexico in July 2022 under the USMCA but that process never resulted in a formal panel. And Mexico continues to privilege its state-run electric utility and state-run oil and gas companies over American energy companies.

Can you describe the specific steps you have taken or will take to ensure that Mexico treats American energy companies fairly – including both those in the clean energy sector as well as the oil and gas sector?

Can you describe your engagements so far with affected U.S. companies in the energy sector?

Answer: I share your concerns about Mexico's policies that continue to unfairly favor Mexico's state-owned energy companies over American energy companies, undermine U.S.-produced energy, and raise serious concerns about Mexico's compliance with the USMCA. I will continue to consult closely with Congress and affected stakeholders,

including in advance of the USMCA Joint Review, to assess the impact of these policies on American energy companies and workers. I have been clear with Mexico that it must stop discriminating against U.S. energy companies. I will continue to press Mexico, including as part of the Review, to adhere to its commitments under the USMCA and will carefully consider further actions the United States can take to resolve this longstanding issue.

3. Agriculture's Place in Trade Debates

We spend a lot of time in Congress arguing about the "right way" to pursue trade policy. But what policymakers often miss in fights over trade philosophies is the effect of these decisions on Colorado family farmers and ranchers.

For over a decade, we worked to improve access to the Mexican market for Colorado potato growers. We worked with the U.S. Trade Representative on this issue, and we've had some success. We should be careful not to squander achievements like these.

The most obvious hostage trading partners can take in a trade dispute is American agriculture, because other countries understand the importance of our agricultural industry. Already, China has barred the import of some agricultural products in response to the Trump administration's tariffs.

How do you plan to integrate concerns from Colorado family farmers and ranchers as the Trump administration imposes tariffs that will prompt retaliation from trading partners around the world – such as imposing their own tariffs or import restrictions on U.S. agriculture?

Answer: USTR is vigorously pursuing new market access opportunities for American exports and collaborating with stakeholders from the agricultural community to ensure that President Trump's trade policy advances the interests of American farmers and ranchers, including those from Colorado.

4. Countries of Interest for Trade Negotiations

So far, India is the only country with which the Trump administration has launched formal trade negotiations.

What are the specific goals of this agreement? When do you aim to complete it? Will you commit to consulting with Congress on this agreement? What about seeking an up-and-down Congressional vote on the agreement?

Answer: My goal is to bring fairness and balance to the trade relationship and increase reciprocity through the negotiation of a Bilateral Trade Agreement (BTA). The BTA is intended to 1) reduce or eliminate India's high tariffs on both U.S. agricultural and

industrial goods; (2) reduce India's non-tariff barriers to ensure U.S. businesses can fully benefit from the tariff reductions and operate in the Indian market on a level playing field; and (3) secure rules-based commitments in several areas to ensure long term benefits.

Are there any specific countries in Latin America and the Caribbean you plan to target for similar negotiations? If so, are there specific sectors you would target for discussions with these countries?

Do you intend to continue the Biden administration's trade negotiations with Taiwan, on which the President plans to impose a 32 percent tariff after the 90-day "reciprocal" tariff pause? How do you plan to minimize disruptions to Taiwanese companies' efforts to support U.S. semiconductor manufacturing?

Answer: At this time, USTR's focus is on negotiating with trading partners, including Caribbean Latin American, and Taiwan, that come forward in response to the President's reciprocal tariff actions with meaningful proposals to reset our trade relationships, including by addressing the destructive trade imbalances as well as the lack of reciprocity with respect to tariffs, non-tariff barriers, digital trade, and other areas.

In pursuing new trade agreements, how will you use the U.S.'s massive leverage to advance foreign policy and other priorities? Could you provide examples in the case of negotiations with, say, India?

With my colleagues Senators Tillis, Coons, and Cornyn, I am leading the Medical Supply Chain Resilience Act, which would authorize the President and yourself to negotiate medical supply chain-specific sectoral trade deals.

Would you consider such sector-specific deals – such as in pharmaceuticals with India – to secure American access to critical goods?

Answer: I intend to use all appropriate trade negotiations to pursue more secure and resilient medical supply chains for the United States and to expand market access for innovative U.S. pharmaceutical and medical technologies. Sectoral arrangements could be one avenue to secure these supply chains and increase U.S. production.

5. Trade and Technology

U.S. science and technology leadership is one of our nation's greatest strengths. Trade rules on issues like digital trade and intellectual property protections can help maintain our competitive advantage and ensure that American companies of all sizes can compete fairly in global markets.

How does digital trade fit into the President's trade agenda? Will digital trade discussions be part of trade talks with India, Japan, South Korea, and the European Union?

Answer: Advancing digital trade is a key objective of U.S. trade policy. With respect to any new agreements with trading partners, including India, Japan, South Korea and the EU, we will look to advance U.S. interests in digital trade.

6. Approach to Tariffs Exemptions

In the first Trump administration's previous tariff regime, the government granted exemptions for certain products without regard to company size. Following the President's new tariff announcements, countless entities – including Colorado companies producing or procuring crucial products with national security implications – seek exemptions for their products or industries from tariff duties.

Will you commit to creating a potential tariff exemption process? Are there particular categories of exemptions – such as infant formula – that you would consider providing as a matter of course?

In your view, how would you approach cross-border products that two entities belonging to the same corporate parent transfer between one another? Will you specifically consider exemptions on Mexico and Canada tariffs for companies with established footprints across North America?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). Part of fixing the imbalance is to incentivize companies to manufacture more in the U.S., with U.S. workers. However, as provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. The President is not considering exemptions or exclusions at this time.

7. Uyghur Forced Labor

Chinese companies often seek to avoid tariffs and restrictions under the *Uyghur Forced Labor Prevention Act* (UFLPA) by shipping products made with Uyghur forced labor to third countries – including in Latin America and the Caribbean. These goods eventually make their way into the U.S., despite the UFLPA.

What additional resources does USTR need to enforce UFLPA, particularly with regard to the Western Hemisphere?

Answer: The UFLPA establishes a rebuttable presumption that the importation of goods mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous

Region (XUAR) or by an entity on the UFLPA Entity List is prohibited under 19 U.S.C. § 1307. CBP enforces this rebuttable presumption and USTR defers to CBP on whether there is a need for additional resources to enforce the UFLPA.

USTR is an active member of the Forced Labor Enforcement Task Force, and we fully support the robust implementation of the UFLPA, including the mandate to maintain the UFLPA Entity List, which is comprised of entities that are subject to the rebuttable presumption. DHS, DOL, and State, as well as other FLETF members, all play important roles in this work. We defer to DHS as the chair of the FLETF on whether the FLETF needs additional resources.

8. Generalized System of Preferences and Tariffs

Historically, the United States used the Generalized System of Preferences (GSP) as a tool to bolster growth in developing countries by offering them increased access to the U.S. market. GSP long benefited American firms, supporting thousands of jobs in the United States.

Unfortunately, since GSP expired in 2020, outdoor retailers like The North Face have paid a total of \$1.53 billion in duties on products that were once GSP-eligible. The program's expiration, coupled with President Trump's "reciprocal" tariffs on a variety of former GSP beneficiaries like Indonesia and Thailand, will strain businesses of all sizes that are critical to my state's economy.

Would you commit to working with Congress on a bill to reauthorize the GSP?

What specific improvements would you like to see to the GSP?

Would the administration consider wielding GSP as leverage in negotiations for other countries to reduce their tariffs on U.S. imports?

Answer: As noted during my confirmation hearing, I will—if requested by the Congress—provide technical assistance and consultation on trade related legislation, including with respect to reauthorization of trade preference programs. The President ultimately will decide whether unilateral preference programs further the United States' efforts to reduce the trade deficit and enhance reciprocity.

9. Tariffs and Housing

Recent tariff announcements carry significant implications for housing construction and affordability, particularly in Colorado. Data from the National Association of Home Builders indicates that the U.S. imports approximately 70 percent of our softwood lumber from Canada, and 71 percent of gypsum and lime imports for drywall from Mexico. Colorado experts warn that these tariffs, along with labor shortages, could increase new home costs by \$30,000 to \$40,000. This comes as Colorado and other states across the nation face a critical housing affordability

crisis, with builders struggling to construct homes at price points accessible to middle and working-class families.

Will you commit to considering targeted exemptions for essential housing construction materials, given their direct effect on housing affordability? What specific metrics or criteria would your office use to evaluate whether construction materials merit exemption consideration? Given that domestic production of lumber and other building materials cannot immediately scale to meet demand, with industry experts noting it could take up to three years to build sufficient new mill capacity, what interim measures would you consider to prevent housing construction delays and cost increases in states like Colorado where we continue to work to address housing shortages? How does your office weigh the economic effect of tariffs on essential goods like housing materials against the broader trade policy objectives, particularly for products without readily available domestic alternatives?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. Requests to alter the scope of exempted products are not being considered.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Whitehouse.

Question 1:

At your nomination hearing, we discussed how Rhode Island small businesses often fill critical niches in the supply chains of American companies but often rely on imports. These specialized small businesses can get hammered by President Trump's tariffs. You noted that you asked your team last week – the same week the tariffs took effect – to set up a meeting of your small business trade advisory council. A meeting *after* small businesses have already been hit by tariffs is of little use.

Will you consult your small business advisory council before any future tariff actions?

Answer: Small businesses are a vital part of the U.S. economy. The Office of the USTR maintains routine engagement with small businesses on a variety of trade-related policy matters and in various forums. USTR has a number of International Trade Advisory Committees (ITACs), including an ITAC focused on small business issues, which we will rely on for input and feedback. Since my confirmation, to this role, it has been a priority to ensure that small businesses have a seat at the table and I will continue to prioritize engagement with this community throughout my tenure.

Question 2:

At your nomination hearing, you agreed that when China dumps plastic into the ocean, it harms the United States both because it saddles the country with the cost imposed by plastic pollution and because it creates an unfair playing field for U.S. companies that do not pollute.

Will you strengthen the provisions of USMCA that relate to plastic pollution as part of the six-year joint review required next year?

Answer: The USMCA includes the strongest, most advanced, and most comprehensive set of environmental obligations of any U.S. trade agreement. The USMCA is also the first of any U.S. trade agreement to incorporate provisions related to plastic pollution. The Environment Chapter recognizes the importance of taking action to prevent and reduce marine litter, including plastic litter and microplastics. I believe we must also take action to protect American producers from the harmful effects of unfair trade practices such as regulatory arbitrage. We welcome input on this issue as part of USTR's 2026 review process on ways to address these practices.

Question 3:

Mexico has yet to fully implement its USMCA commitments on sustainable fishing practices. In response, on February 10, 2022 USTR requested consultations with Mexico under the environment chapter to prevent the illegal fishing and trafficking of the totoba fish and protect the critically endangered vaquita porpoises that are frequently trapped in nets.

Will you move to dispute settlement to ensure these provisions are enforced?

Answer: Since initiating environment consultations in February 2022, the Office of the U.S. Trade Representative has worked intensively with Mexico to develop a plan to strengthen Mexico's fisheries enforcement in the Upper Gulf of California and address related USMCA compliance concerns. While progress with Mexico has been slow, we are close to finalizing this plan. I am evaluating with my team whether, if implemented effectively, the plan will be sufficient to address our concerns without resorting to dispute settlement.

Question 4:

Federal Reserve Chairman Jerome Powell warned recently that "while tariffs are highly likely to generate at least a temporary rise in inflation, it is also possible that the effects could be more

persistent." He has explained that one contributing factor to tariff inflation is corporations raising their prices even on non-tariffed goods, noting "a great example is washing machines were tariffed in the last round of tariffs, and prices went up, but prices also went up on dryers, which were not tariffed. So, the manufacturers just, you know, they just kind of followed the crowd and raised it."

What is the administration's plan to combat these corporate price hikes?

Answer: It is unclear what—if any—effect tariffs will have on consumer prices. Historic data show that inflationary trends operate independent of tariffs. The Administration is closely monitoring any unwarranted price hikes made by corporations and we will engage as necessary

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Cortez Masto.

Question 1: White House officials have <u>said</u> that intensive trade negotiations are already underway and that the Trump Administration almost closed two trade deals last week. You previously <u>stated</u> that you intend to "work closely with this Committee and the rest of Congress to execute President Trump's trade agenda." As these negotiations proceed, do you intend to standby the commitment you previously made?

Answer: Yes, USTR plans to continue working closely with Congress when formulating U.S. government positions in the context of reciprocal trade agreements.

Question 2: You recently said, "we're working around the clock, day and night...sharing paper, receiving offers and giving feedback to these countries." This statement—absent any prior consultations with Congress on these negotiations—seems to be inconsistent with your previous commitments to transparency and consultation. Will you commit to adhere to basic transparency and consultation provisions³ that Congress previously set out? Specifically, will you:

a. Provide this Committee with negotiating text drafted by the United States prior to sharing it with a foreign trading partner?

Answer: Yes. USTR has done so and will continue to do so.

b. Provide this Committee with negotiating text that is shared by a foreign trading partner not later than three days after its receipt?

¹ CNN, "Jerome Powell warns on Trump's tariffs: High inflation could be here to stay," Bryan Mena, April 4, 2025, https://www.cnn.com/2025/04/04/economy/jerome-powell-fed-tariffs-jobs/index.html.

² Federal Reserve Board, "Transcript of Chair Powell's Press Conference," March 19, 2025, p. 10, https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20250319.pdf.

³ Sec. 7 of *United States-Taiwan Initiative on 21st-Century Trade First Agreement Implementation Act*

Answer: USTR will adhere to the transparency and consultation provisions in U.S. law that are applicable to the ongoing negotiation. The requirement mentioned in the question is a specific statutory requirement that does not apply to any negotiation USTR is currently undertaking.

c. Provide this Committee consolidated negotiating texts that the United States and a foreign trading partner are considering?

Answer: USTR will adhere to the transparency and consultation provisions in U.S. law that are applicable to the ongoing negotiation. The requirement mentioned in the question is a specific statutory requirement that does not apply to any negotiation USTR is currently undertaking.

d. Provide this Committee final text of an agreement not later than 45 days before you make it public or share it outside of the executive branch?

Answer: USTR will adhere to the transparency and consultation provisions in U.S. law that are applicable to the ongoing negotiation. The requirement mentioned in the question is a specific statutory requirement that does not apply to any negotiation USTR is currently undertaking. USTR will share the text of country-specific reciprocal trade agreements with Congress before USTR makes them public.

e. Brief this Committee to discuss the aforementioned texts, provide the Committee not less than two business days to review negotiating text prior briefings, and provide the Committee not less than four days after briefings to provide comments on negotiating text?

Answer: USTR plans to continue providing Congress with an opportunity to comment on proposed negotiating texts prior to USTR sharing them with foreign partners consistent with our statutory obligations. USTR will keep Congress apprised of developments with specific trading partners during the negotiations. The specific timeframes mentioned in the question are not applicable to any negotiation USTR is currently undertaking.

f. Notify this Committee not less than one business day after scheduling a negotiating round with a foreign trading partner and provide this Committee with the dates and locations of the negotiating round?

Answer: USTR will keep the Committee apprised of developments with specific trading partners during the negotiations. The requirement mentioned in the question is a specific statutory requirement that does not apply to any negotiation USTR is currently undertaking.

g. Ensure that any individual described in section 104(c)(2)(C) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 that attends a negotiating round is accredited as a member of the U.S. delegation during any such negotiating round, and provide daily briefings to these individuals during any such round?

Answer: The timeline for some of the negotiations USTR is currently undertaking is highly compressed. We do not expect that the negotiations will necessarily follow the same structure that some previous trade negotiations have taken. Further, the requirement mentioned in the question is a specific statutory requirement that does not apply to any negotiation USTR is currently undertaking.

h. Seek Congressional approval—as is required for any agreement that aims to regulate foreign commerce and reshape international trade flows—of any agreement you seek to enter into with a foreign trading partner?

Answer: USTR plans to share the text of country-specific reciprocal trade agreements with Congress prior to concluding and signing them.

Question 3: Are you aware of the concerns regarding U.S. imports of lamb and mutton from Australia and New Zealand that were previously shared with USTR and have these issues arisen in any negotiations with these countries?

Answer: Yes, I am aware of industry's concerns. This issue will be part of my considerations when discussing and fairness and reciprocity with our trading partners.

Question 4: President Trump posted a video on his social media twice last week (the week of March 31) that said, "Trump is purposely crashing the stock market." Then, hours before he paused implementation of his April 9 blanket tariffs, he posted on social media, "THIS IS A GREAT TIME TO BUY!!!" Did you have prior knowledge that the President intended to publicly say these things?

Answer: The President finalized a decision to pause temporarily and partially the duties during my hearing with the House Ways and Means Committee on April 9. The Administration previously explored several options for the duties going forward, but I am not in a position to disclose my private conversations with the President.

Question 5: When drafting your formula for implementing the blanket tariffs announced on April 2, USTR <u>cited</u> a 2021 study you claimed showed that import prices would only rise by 25%. However, the study you cited actually says prices could rise by 95%. Even the authors of the study say you misstated it. Your entire formula is way off due to this math error. Do you acknowledge this error?

Answer: Economists can differ on the application of elasticity figures and the interpretation of findings. Nothing that this individual has said would change how those

involved in the production of the formula interpret that study, in the context of that formula.

Question 6: President Trump has exempted Russia, Belarus, and North Korea from the blanket tariffs that went into effect on April 5. Indeed, Russia is one of the few countries on earth that can still ship products to the U.S. and pay NO tariffs. This is supporting billions of dollars of Russian trade and fueling its war of aggression in Ukraine. Meanwhile, our ally Israel got slapped with a 17% tariff (now temporarily reduced to 10%) – even though they are a free trade agreement partner – and Ukraine got a 10% tariff. What is the strategic rationale for this?

Answer: These are countries with which the United States does not have normal trade relations. The trade imbalance which underlies the national emergency does not arise from those countries because their goods are already subject to duties that are significantly higher than our regular rates. Those rates preclude meaningful trade with the United States. No additional action was needed as a remedy to the national emergency, nor are we seeking improved terms of trade with these countries. However, this does not preclude possible future actions involving these countries.

Question 7: Companies in the U.S. that manufacture critical materials may have inputs from China or other foreign countries. Will there be any consideration of exclusions for companies that cannot move these supply chains?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act (IEEPA). As provided in the Executive Order and its annexes, certain goods are not subject to this tariff action, such as steel/aluminum articles and autos/auto parts already subject to Section 232 tariffs; ; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion; all articles that may become subject to future Section 232 remedies; and others. President Trump is not considering requests to alter the scope of exempted products at this time.

Ouestions for the Record submitted to The Honorable Jamieson Greer from Senator Warren.

Question 1: In the last recession, 700,000 American workers lost their jobs each month. While the President has paused the reciprocal tariffs he recently levied on America's trading partners, the future of tariffs under this Administration remains unclear. The tariffs are paused for now, but presumably in 90 days, sweeping tariffs will go into effect that could have devastating effects on our economy and the jobs that hardworking Americans rely on. This Administration has not prioritized protecting American jobs, which should be a primary objective of our trade policy. If 700,000 Americans lose their jobs in a single month as a result of the President's tariffs and trade war with China, will the Administration reverse course?

- A. If 1,000,000 American workers lose their jobs?
- B. If 2,000,000 American workers lose their jobs?
- C. How many Americans would have to lose their jobs before the Administration reconsiders its trade policies?

Answer: The reckless and dogmatic pursuit of "free trade" by Washington insiders during the late 20th and early 21st centuries resulted in the U.S. becoming the importer of last resort, with other countries basing their economic growth strategies upon excessive reliance on U.S. consumers. This global predation caused persistent and increasing U.S. trade deficits and the loss of 5 million American manufacturing jobs and 90,000 factories since 1994. I applaud the President for taking bold action to end this madness and put America on a solid economic footing.

Question 2: How do you plan to prevent companies from passing along the cost of tariffs to consumers by raising prices on consumer goods?

- A. How will you prevent companies from using tariffs as an excuse to jack up prices on all goods, even those not subject to tariffs?
- B. Have you analyzed prices increases since Trump has taken office?
- C. What additional tools does the Administration have to limit companies' ability to pass on the costs of tariffs or impose other broad price increases, onto consumers?

Answer

It is unclear what—if any—effect tariffs will have on consumer prices. Historic data show that inflationary trends operate independent of tariffs. Further, the Chairman of the Federal Trade Commission (FTC) has been clear that the FTC will monitor efforts by companies to use the tariffs as an excuse to price gouge consumers.

Question 3: Appearing before the House Ways and Means Committee on Wednesday, you appeared surprised by the news that President Trump issued a 90-day pause on most of the reciprocal tariffs announced on April 2. Did you discuss the possibility of such a decision with the President beforehand? If not, why were you not consulted?

A. If you were aware, why had you told the committee otherwise in your earlier testimony?

Answer: The President finalized a decision to pause temporarily and partially the duties imposed pursuant to the April 2 Executive Order during my hearing with the House Ways and Means Committee on April 9. The Administration previously explored several options for the duties going forward, but I am not in a position to disclose my private conversations with the President, and I certainly would have not have previewed this sensitive matter during a public Committee hearing absent the final decision from the President.

B. Do you anticipate additional changes or adjustments to these tariffs?

Answer: I cannot foreclose what the President may or may not do in the future regarding the reciprocal trade duties. In his April 2 Executive Order, the President stated that "[t]hese additional ad valorem duties shall apply until such time as [he determines] that the underlying conditions described above are satisfied, resolved, or mitigated." The President also expressly preserved his right to modify the tariffs in Section 4 of the April 2 Executive Order. However, I can commit to keeping you informed of future adjustments, as the President delegated that responsibility to me under his April 2 Executive Order.

C. Who was involved in the decision-making process regarding the implementation or pausing of tariffs?

Answer: The President made the decision to implement the tariffs and decided to pause temporarily and partially the duties. The Administration previously explored several options for the duties going forward, but I am not in a position to disclose my private conversations with the President.

D. What was the rationale for the pause?

Answer: As Executive Order 14266 of April 9, 2025 explains, with the exception of China, which retaliated against the President's April 2 Executive Order by imposing its own duties on U.S. imports, more than 75 foreign trading partners, including countries subject to the higher, individualized duty rates imposed under the April 2 Executive Order, have approached the United States to address the trade deficit and the lack of trade reciprocity in our economic relationships and our resulting national and economic security concerns. In his April 9 order, the President explained that this is a significant step by these countries toward remedying non-reciprocal trade arrangements and aligning sufficiently with the United States on economic and national security matters. Therefore, the President determined that it is necessary and appropriate to address the national emergency declared in the April 2 Executive Order by temporarily suspending, for a period of 90 days, application of the individual, higher duty rates imposed for foreign trading partners, and to subject all such trading partners with the baseline 10 percent rate.

E. What was the rationale for the length of the pause?

Answer: As discussed above, the 90-day period allows us to effectively engage with foreign trading partners to address their efforts toward remedying their part in trade imbalances that harm our security and our economy, including through non-reciprocal trade arrangements, and aligning sufficiently with the United States on economic and national security matters.

F. Do you believe that imposing and then pausing tariffs is an effective way to negotiate trade agreements with other nations?

Answer: In the case of the reciprocal trade action under IEEPA, yes. This is evidenced by the fact that many foreign trading partners approached the Administration over the course of approximately one week to address our concerns about the lack of reciprocity with those partners on trade issues.

G. Do you believe that imposing and then pausing tariffs damages the United States' credibility with our trading partners?

Answer: No. Otherwise, they would not be approaching us on a good faith basis to explore ways to reduce imbalances and pursue reciprocity.

H. Do you believe that imposing and then pausing tariffs creates uncertainty and instability for American businesses?

Answer: As the President has already done, I encourage the American people to be patient as the President works to create conditions that will incentivize a resurgence in domestic manufacturing. We are already seeing net positive impacts from the Administration's reciprocal trade policy.

Question 4: Will you release the full text of your Report to the President on the America First Trade Policy? If so, when? If not, why?

A. If not, when will you submit the report to Congress?

Answer: Pursuant to the January 20, 2025 Presidential Memorandum on America First Trade Policy (AFTP) the President instructed me and other Administration officials to report to him on April 1, 2025, on the topics set forth in Sections 2(a) through 4(g) of the Presidential Memorandum. The Presidential Memorandum on AFTP does not instruct USTR to release that report or submit it to Congress, and I will follow the President's direction with respect to these issues. Nonetheless, the White House released an executive summary of that Report on April 3rd and USTR staff briefed Congressional staff on the report findings. I will also continue to engage with you and members of the Committee on relevant issues covered in the Report as appropriate.

Question 5: Corporations have long used secretive trade negotiations as a backdoor means of undermining regulations---triggering a global deregulatory race to the bottom. Now, Big Tech is running this same play, lobbying the U.S. government to include provisions in trade agreements that would preempt foreign and domestic regulations. Will you advance policies in trade negotiations that restrict governments, be they foreign governments, U.S. state governments, or the U.S. federal government, from implementing commonsense regulations on the tech industry?

A. One of Big Tech's demands is broad protections for the so-called "free flow of data," which could constrain governments from protecting the personal data of their citizens to bad actors around the world. In other words, Big Tech wants to keep auctioning

Americans' data to the highest bidder, even when that means that their data makes it to the Chinese or Russian government.

- a. Your predecessor, Ambassador Tai, stood up to Big Tech's trade agenda and China's digital authoritarianism. Will you do the same by opposing "free flow of data" provisions that would restrict commonsense tech regulation?
- b. So-called "free flow of data" provisions could also help companies evade laws that protect children from seeing inappropriate content online, including legislation passed through the Senate on a bipartisan basis. Will you oppose trade provisions that allow tech companies to bypass laws written to protect our children?

Answer: I will work to advance U.S. interests in digital trade.

Efforts to ensure U.S. companies can continue to innovate and provide digital services to markets around the world are completely compatible with efforts to address antitrust concerns in digital market, as is already clear from the work of the FTC and DOJ in this Administration—work that was largely initiated in the first Trump Administration.

Advancing digital trade is a key objective of U.S. trade policy. With respect to any new agreements with trading partners regarding digital trade provisions, USTR, in consultation with Congress, will play a leading role in advancing provisions that enhance U.S. leadership in this area. Similarly, USTR will address new and existing barriers to digital trade, particularly those that discriminate against U.S. companies.

- B. Big Tech companies have also advocated to include provisions in trade agreements that would help large tech firms evade competition policies by claiming such policies subject these firms to "illegal trade discrimination." This language would provide a basis for Big Tech firms, as well as foreign governments, to attack policies to regulate tech as "illegal trade barriers" simply because they may disproportionately impact "digital products" of dominant companies that happen to be headquartered in the U.S. Inclusion of such provisions could undermine efforts by U.S. policymakers to pass new legislation and antitrust enforcers to crack down on anti-competitive conduct, including price fixing and self-dealing, by the largest tech companies.
 - a. What does it mean for a policy to "discriminate" against American firms?
 - b. Do the Digital Markets Act, Digital Services Act, and other regulations that apply to foreign and domestic companies alike constitute "illegal discrimination"?
 - c. Will you oppose such provisions and ensure our trade agreements do not allow tech companies to evade antitrust enforcement?

Answer: Advancing digital trade is a key objective of U.S. trade policy. Ensuring that U.S. firms are treated by our trading partners no less favorably than their domestic firms is critical to ensuring reciprocal competitive opportunity for U.S. companies. In his recent Presidential memoranda, President Trump made it clear that the United States will oppose discriminatory digital measures that target U.S. companies, including EU measures. I intend to address those measures that undermine U.S. competitiveness and technological

leadership, and am exploring using any and all of the tools available to me as the U.S. Trade Representative.

Efforts to ensure U.S. companies can continue to innovate and provide digital services to markets around the world are completely compatible with efforts to address antitrust concerns in digital market, as is already clear from the work of the FTC and DOJ in this Administration—work that was largely initiated in the first Trump Administration.

Question 6: Who has lobbied you or any other USTR official regarding tech provisions in trade agreements?

A. Please describe the nature of your communications with the signatories of this letter.

Answer: USTR staff routinely meet with a wide range of outside stakeholders to learn their views on trade policy. Indeed, USTR is required by statute to seek information and advice from outside stakeholders with respect to trade policy. Some of the signatories of the letter submitted comments in response to USTR's Federal Register Notice requesting comments pursuant to the America First Trade Policy Memorandum and the Presidential Memorandum on Reciprocal Trade and Tariffs. These comments are available on the public docket. Additionally, some of the signatories, along with a range of other stakeholders, have shared their views on trade issues through letters and meetings with USTR staff.

Question 7: While appearing before the Senate Finance Committee last week, you said the President had been "clear" that there would be no exemptions to tariffs. The next day, President Trump indicated that he would be open to granting tariff exemptions to individual companies. Can you explain the disconnect between your testimony and the President's statements?

- A. If the President determines that exemptions should be granted, will you commit to putting in place a transparent and objective process that protects America's small businesses and workers?
- B. Last weekend, several consumer electronic products were exempted from the steep tariffs on products from China, despite the President's continued claims that there will be no exemptions from his tariffs.
 - a. Did you discuss the possibility of such a decision with the President beforehand? If not, why were you not consulted?
 - b. Do you anticipate additional exemptions to these tariffs?
 - c. Who was involved in the decision-making process regarding this exemption?
 - d. What was the rationale for the exemption?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act. Some products are not subject to this tariff action. This includes goods already subject to existing Section 232 tariffs (steel,

aluminum, autos, and auto parts); goods that may be covered by future trade actions; lumber, cooper, pharmaceuticals, and semiconductors; unavailable natural resources; and bouillon. Certain electronics recently were identified as falling into the Section 232 investigation regarding semiconductors and downstream items, meaning that they are not covered by the reciprocal tariff action but by potential Section 232 action. The full list of country-specific rates and products not subject to the tariffs are listed in the annexes to the order, which are available on the White House website. The President is not considering requests for exclusions or exemptions from the IEEPA action at this time.

Question 8: President Trump has claimed that over 75 countries have offered to renegotiate their trade deals with the United States as a result of his reciprocal tariffs. Please list each country that has initiated negotiations with you or the President since April 2, 2025.

A. For each of these countries, please describe the specific changes being considered.

Answer: Numerous trading partners are approaching USTR with proposals and offers to fix their part of the national emergency by rebalancing our trade relationships and ensuring reciprocity. USTR intends to vigorously pursue new market access opportunities for American businesses to address the lack of reciprocity with respect to tariffs and non-tariff barriers.

Question 9: You were part of an important improvement in sovereignty and protection of rule of law by getting rid of Investor-State Dispute Settlement with Canada and reducing it with Mexico. Will you commit to revisiting ISDS in existing trade agreements and BITs?

Answer: I agree that the United States should not support mechanisms that support offshoring of manufacturing to other countries. I look forward to working with you, this Committee, and Congress on ISDS and other investment-related issues in USMCA and other agreements, as appropriate.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Sanders.

Question 1: The global "reciprocal" tariffs (Executive Order 14257 etc.) represent, in effect, a violation of every previous trade agreement negotiated by the United States and approved by Congress through implementing legislation. Understanding the President has claimed authority to impose these tariffs under IEEPA, does USTR have a separate legal justification for the apparent violation of Public Law inherent in the unilateral abrogation of implementing legislation for the United States' various free trade agreements?

Answer: Congress delegated authority to the President through IEEPA to take various types of action to address national emergencies, including to regulate importation. This includes the imposition of duties. The President has exercised this delegated IEEPA authority to impose additional ad valorem duties on certain trading partners. The action does not violate the United States trade agreements because it is based on our country's essential security interests, which is explicitly permitted under our trade agreements. It would make no sense to allow other countries to veto actions necessary to protect U.S. economic and national security, and our trade agreements ensure U.S. sovereignty over such matters.

Question 2: USTR has said that it does not intend to submit any potential agreements negotiated with foreign trading partners pursuant to the global "reciprocal" tariffs (Executive Order 14257 etc.) to Congress, maintaining that any such agreements will be limited in scope and fall short of the standard for a free trade agreement requiring Congressional approval. Given this fact, these agreements will have no permanent legal basis and will represent, in effect, temporary "handshake" deals. Any potential deals will also come in the wake of the unilateral abrogation through executive action of all previously-negotiated U.S. trade agreements. How are businesses expected to make the multi-year investments required to move supply chains and build new facilities in the United States, if there is no guarantee the handshake agreements negotiated with the Trump Administration will last?

Answer: The Office of the United States Trade Representative will be briefing Congress on a weekly basis on developments associated with ongoing Reciprocal Trade Negotiations. The Administration will work to ensure that trading partners offer meaningful and enforceable commitments in exchange for potential reduction in reciprocal tariff levels under the April 2, 2025 IEEPA order. We will continue to consult with Congress during these negotiations.

Question 3: IEEPA provides emergency powers to address "any unusual and extraordinary threat, which has its source in whole or substantial part outside the United States." The global "reciprocal" tariffs (Executive Order 14257 etc.) were justified in light of an emergency stemming from "large and persistent annual U.S. goods trade deficits." The United States has had a goods trade deficit since 1976 – how is a 50-year reality an "unusual and extraordinary" threat justifying emergency steps to bypass Congress?

Answer: As the April 2 Executive Order explains, the President has determined that underlying conditions—including a lack of reciprocity in our bilateral trade relationships, disparate tariff rates and non-tariff barriers, and U.S. trading partners' economic policies that suppress domestic wages and consumption, as indicated by large and persistent annual U.S. goods trade deficits—constitute an unusual and extraordinary threat to the national security and economy of the United States. The overall trade deficit has grown over 40 percent in the past 5 years alone, reaching \$1.2 trillion by the end of the Biden

Administration in 2024, the highest such deficit of any country in human history. It is obvious that this is not sustainable, and that the deficit is more extreme in terms of its size and structural problem than at any point on record. The asymmetries in trade relationships reflected by this trade deficit have contributed to the atrophy of domestic production capacity, especially that of the U.S. manufacturing and defense-industrial base. These asymmetries also impact U.S. producers' ability to export and, consequentially, their incentive to produce. This status quo cannot continue to persist. That is why we are working on negotiations with trading partners who are willing to take measures that will resolve or mitigate the underlying conditions behind our bilateral goods trade deficits.

Question 4: IEEPA provides emergency powers to address "any unusual and extraordinary threat, which has its source in whole or substantial part outside the United States." The global "reciprocal" tariffs (Executive Order 14257 etc.) were justified in light of an emergency stemming from "large and persistent annual U.S. goods trade deficits." These goods trade deficits are the result of purchases/orders from within the United States – these goods are not being sent to the United States unbidden, nor are any American buyers being coerced into placing these orders – how is this an emergency "which has its source in whole or substantial part outside the United States"?

Answer: As noted in the April 2 Executive Order, the President determined that large and persistent annual U.S. goods trade deficits constitute an unusual and extraordinary threat to the national security and economy of the United States. Because this threat has its source in the economic and industrial policies of key trading partners and structural imbalances in the global trading system, its source clearly is in whole or substantial part outside the United States.

Question 5: The global "reciprocal" tariffs (Executive Order 14257 etc.) were justified in light of an emergency stemming from "large and persistent annual U.S. goods trade deficits." But the tariffs laid out in the Executive Order target numerous countries with whom the United States has a goods trade surplus – how can these countries be held responsible for the alleged emergency related to large and persistent trade deficits?

Answer: As the April 2 Executive Order explains, "[e]ven for countries with which the United States may enjoy an occasional bilateral trade surplus, the accumulation of tariff and non-tariff barriers on U.S. exports may make that surplus smaller than it would have been without such barriers." Additionally, as noted by the President, "[p]ermitting these asymmetries to continue is not sustainable in today's economic and geopolitical environment because of the effect they have on U.S. domestic production." In addition, as I testified, the imposition of a 10 percent baseline duty on essentially all trading partners is to ensure that the IEEPA action is not subject to circumvention. The Administration is

welcoming suggestions from our trading partners on a path forward that brings fairness and balance to our trading relationship and protects U.S. economic and national security.

Question 6: The trade policy announced and enacted thus far in President Trump's second term has several stated and implied goals, including 1) addressing large and persistent trade deficits; 2) returning manufacturing jobs to the United States; 3) raising revenues; and, 4) providing leverage for trade deals on improved terms for the United States. Several of these goals are in tension with one another. In order to more fully understand the Administration's policy, and understanding the President has final say on these issues, please rank these goals in order of importance, to the best of your understanding.

Answer: My number one goal is to increase real median household incomes and opportunities for meaningful employment for all Americans, which goes hand in hand with reducing the trade deficit and obtaining improved foreign market access. To the extent tariffs are appropriate for these goals, such tariffs obviously have a revenue effect in terms of funds directed to the U.S. Treasury.

Question 7: President Trump recently suggested that the United States should abolish the progressive income tax and replace it with tariff revenue, which many economists would describe as a massive sales tax on imported goods. Experts estimate that if this policy were enacted, taxes would go up by over \$5,000 a year for middle class families, while those in the top one-tenth of one percent would get a \$1.5 million tax break. Do you believe we should replace the progressive income tax in America with tariffs?

Answer: The President had stated that he would prefer tariff revenue to be higher and income taxes to be lowered. Further, tariffs on foreign-made goods are not a "sales tax," as they are not imposed on consumers at the point of retail sale and instead are allocated in very different ways among foreign producers and importers according to commercial contract terms or other arrangements.

Question 8: President Trump maintains the tariff policy is aimed, in part, at returning manufacturing jobs to the United States. But during President Trump's first term in office, his Administration awarded more than \$425 billion in federal contracts to corporations that shipped some 200,000 American jobs abroad. For example, in 2017, Carrier shipped 1,300 jobs from Indiana to Mexico, even as its parent company, United Technologies, was rewarded with over \$15 billion in federal contracts under Trump. Would you advise President Trump to sign an Executive Order to prevent corporations that have outsourced American jobs from receiving federal contracts, tax breaks, and other forms of corporate welfare from the federal government?

Answer: The Administration opposes the offshoring of manufacturing jobs and is working hard to reduce the historically high trade deficit – i.e., the net increase in imported goods – inherited from the Biden Administration. The Administration will continue to advance regulatory, tax, and trade policies that prioritize economic opportunity for all Americans.

Question 9: Targeted tariffs can be a powerful tool in stopping corporations from outsourcing American jobs and factories to low-wage countries. But President Trump's across-the-board tariffs have also targeted numerous high-wage countries, including Germany, France, Denmark, Finland, Norway, and Switzerland, to name a few. Does your office have estimates of how many American manufacturing jobs have been lost due to facilities moving from the United States to these high-wage countries? Can you provide any such estimates?

Answer: I do not share the assumption, implicit in your question, that you can attribute manufacturing jobs lost solely due to wage differential. High wage countries can, and often do, engage in unfair trade practices. For example, for years Germany, France, and other European nations illegally subsidized the Airbus Consortium to the direct detriment of US firms. Please see USTR's latest National Trade Estimate for more information on the unfair trade practices that high wage countries engage in. These countries are also notorious for abnormally low consumption, necessarily driving them to produce more than they consume and export their lack of demand to the U.S. market to the detriment of U.S. workers.

Question 10: President Trump said he had no choice but to bypass Congress and impose an emergency 25% tariff on Canada under IEEPA to stop "the massive" amount of fentanyl and the "millions and millions" of undocumented immigrants coming from the northern border. In fact, U.S. Customs and Border Protection reported that just 43 pounds of fentanyl were seized at the Canadian border in 2024 – representing just two tenths of one percent of the total. Further, among the 1.6 million border patrol encounters with undocumented immigrants outside of ports of entry last year, just 1.5% of the total came at the Canadian border – less than 24,000 people, not "millions and millions." The emergency tariffs have severely strained our relationship with a close ally and may cause devastating harm to consumers, farmers, small businesses and workers in Vermont and across the country. Do you believe that 43 pounds of fentanyl and less than 24,000 undocumented immigrants constitute a "national emergency" deserving such a costly response? Will you recommend to the President that he eliminate the "emergency" tariffs he has imposed on Canada?

Answer: The President determined that, "[g]ang members, smugglers, human traffickers, and illicit drugs of all kinds have poured across our borders and into our communities." In his February 1 Executive Order, the President detailed concerns about the threats posed by criminal networks operating across the northern border, the growing presence of Mexican cartels operating fentanyl synthesis labs and fentanyl/nitazene tableting operations in Canada, and the flow of illicit drugs like fentanyl through the United States through both

illicit distribution networks and international mail. He noted that "Canada has played a central role in these challenges, including by failing to devote sufficient attention and resources or meaningfully coordinate with United States law enforcement partners to effectively stem the tide of illicit drugs." The President has assessed that this action is necessary until Canada complies and cooperates with the United States to end the public health crisis and national emergency by the sustained influx of illicit opioids and other drugs.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Tina Smith.

Question 1: The Trade Adjustment Assistance program lapsed in 2022. Would you agree that it's long overdue for the Senate Committee on Finance to get to work on reauthorizing this important program?

As noted during my confirmation hearing, I will—if requested by the Congress—provide technical assistance and consultation on potential TAA and other trade-related legislation, as appropriate.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Luján.

Question 1: New Mexico's agricultural sector is the foundation of our rural economy and is particularly vulnerable to escalating trade tensions with China. It's clear that President Trump didn't learn his lesson when he played this game during his first term. When we engage in a needless trade war with China, American farmers – New Mexican farmers – pay the price. China has already threatened large retaliatory tariffs and specifically targeted U.S. agricultural exports. What specific strategies will you employ to protect New Mexican agricultural producers from escalating trade tensions with China?

Answer: In President Trump's first term, U.S. families had the highest increase in real median household income in 20 years, and real median household income in New Mexico was also historically high during the President's first term. Further, the highest volume of agricultural exports to China occurred in 2020 and 2021 due to President Trump's Phase One Agreement with China, which the Biden Administration declined to enforce. Although many would like to preserve the unbalanced status quo with China, USTR is vigorously pursuing new market access opportunities for American farmers, ranchers, and food manufacturers, and working to ensure U.S. agriculture is treated fairly.

Question 2: President Trump says that his tariffs will bring manufacturing back to the United States. But his sweeping tariffs included raw materials, which significantly increases costs for companies attempting to build and manufacture products here in the U.S. What is the Administration's strategy to mitigate the impact of tariffs on the cost of raw materials for U.S. manufacturers?

Answer: The international trade status quo has led to the loss of 5 million U.S. manufacturing jobs and the closure of 70,000 U.S. factories. This situation demands change, and President Trump has used tariffs effectively in the past to reverse this trend. Protecting vital industries is a boon for manufacturers that are facing unfair trading practices by foreign exporters and foreign countries.

Question 3: President Trump sent a letter to Michael Kratsios, the Director of the Office of Science and Technology Policy, calling on the country to "return to our roots and renew the American scientific enterprise for the century ahead." The President stated that the U.S. can be unrivaled world leaders in areas like artificial intelligence (AI) by accelerating research and development and strengthening domestic supply chains. I agree that we should strengthen our supply chain, but AI advancements are moving at a pace not seen before in scientific advancement, and while companies are building new chip factories in the U.S., we do not have the time to wait for them to come online. How will tariffs impact the importation of hardware needed to continue AI development and deployment? Will the Administration provide exemptions for this hardware for national security missions?

Answer: The U.S. Department of Commerce has launched a Section 232 investigation to determine the effects on national security of imports of semiconductors, semiconductor manufacturing equipment, and their derivative products.

Questions for the Record submitted to The Honorable Jamieson Greer from Senator Warnock.

Question 1: Following the announcement of President Trump's "reciprocal tariffs," the Office of the United States Trade Representative (USTR) posted a page on its website titled "Reciprocal Tariff Calculations" that lays out the methodology for calculating the announced tariff rates. ⁴ The methodology was, in part, from an academic paper authored by four economists. These economists have since released an op-ed stating that USTR had misrepresented its findings. ⁵

- Were you or your office involved in developing the formula to determine the country-by-country tariffs?
- Did anyone in your office speak to the authors of the paper before USTR published its reciprocal tariff calculations page?
- Do you commit to fixing the country-by-country tariffs prior to implementation, so they align with academic research?

Answer: The formula was used in a Presidential tariff action intended to address a national economic emergency that he declared. The process that led to that part of the Presidential tariff action is deliberative. USTR published a description of the formula on behalf of the

⁴ Reciprocal Tariff Calculations, Office of the United States Trade Representative, https://ustr.gov/issue-areas/reciprocal-tariff-

 $calculations \#: \sim : text = Reciprocal \% 20 tariffs \% 20 are \% 20 calculated \% 20 as, that \% 20 prevent \% 20 trade \% 20 from \% 20 balancing.$

⁵ Brent Neiman, *The Trump White House Cited My Research to Justify Tariffs. It Got It All Wrong.*, The New York Times (April 7, 2025), https://www.nytimes.com/2025/04/07/opinion/trump-tariff-math-formula.html?rsrc=ss&smid=nytcore-ios-share&referringSource=articleShare.

White House. Any future modifications to those tariff rates will come from the President, and reflect his judgement of the national economic emergency.

Question 2: In last week's hearing, you claimed you were the "tip of the spear" when it came to the President's trade policy. The next day, while you were testifying to the House Ways & Means Committee, President Trump announced that all the country-by-country tariffs were delayed for 90 days. The next day while you were the "tip of the spear" when it came to the President strade policy.

• Between your testimony to the Senate Finance Committee, when you indicated the country-by-country tariffs would be imposed, and your testimony to the Ways & Means Committee, did you consult the President about delaying the country-by-country tariffs?

Answer: The President finalized his decision to pause temporarily and partially the duties during my hearing with the House Ways and Means Committee on April 9. The Administration – including me and other economic principals – previously explored with the President several options for the duties going forward, but I am not in a position to disclose my private conversations with the President.

Question 3: During your confirmation hearing, you agreed that the African Growth and Opportunity Act (AGOA) could be a useful tool to combat China's influence, while promoting economic growth, human rights, and democracy.⁸

• Given the Administration has the stated priority of combatting China, 9 do you believe the 10 percent universal tariff and country by country reciprocal tariffs on African countries will make it more difficult to counter Chinese influence in Africa?

Answer: As President Trump has stated, the ad valorem duties are designed to encourage our African trading partners to remedy non-reciprocal trade arrangements and to align them more fully with the United States on economic and national security matters. We are already seeing a new willingness to negotiate with us from several trading partners across Africa. Last year, China exported almost six times as much to Africa as the United States despite the 20-year existence of AGOA. However, following the implementation of the reciprocal tariff, we are now seeing several AGOA-eligible countries approaching the United States to address the lack of trade reciprocity in our economic relationships and our

https://www.finance.senate.gov/hearings/the-presidents-2025-trade-policy-agenda.

⁶ The President's 2025 Trade Policy Agenda Before the Senate Committee on Finance, 119th Cong. (April 8, 2025) (statement by the Honorable Jamieson Greer, U.S. Trade Representative),

⁷ Full Committee Hearing on the Trump Administration's 2025 Trade Policy Agenda with United States Trade Representative Jamieson Greer Before the House Ways and Means Committee, 119th Cong. (April 9, 2025), https://waysandmeans.house.gov/event/full-committee-hearing-on-the-trump-administrations-2025-trade-policy-agenda-with-united-states-trade-representative-jamieson-greer/.

⁸ The Honorable Jamieson Greer, *Questions for the Record from Senate Finance Hearing to Consider Jamieson Greer to be the U.S. Trade Representative*, Senate Finance Committee (Feb. 6, 2025), chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.finance.senate.gov/imo/media/doc/responses_to_questions for the record to jamieson greer.pdf.

⁹ Fact Sheet: President Donald J. Trump Imposes Tariffs on Imports from Canada, Mexico and China, The White House (Feb. 1, 2025), https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/.

economic security concerns. We see this development as a significant and promising step by these countries towards meeting our mutual economic objectives.

Question 4: In your hearing before the Ways and Means Committee on April 9, 2025, you stated that Congress should look at potential improvements to AGOA. You have also stated that "The Presidential Memorandum 'America First Trade Policy' outlines a number of interagency processes that are pertinent to the Trump Administration's policy towards trade-relevant legislation, like AGOA." According to the President's Executive Order, these reports were supposed to be delivered to the President on April 1, 2025. 12

- When will you be able to share the findings with this committee? Need an answer to this
- Will those findings provide specific ways to improve AGOA before its expiration in September?

Answer: While the America First Trade Policy report to the President is confidential, and I am not able to disclose any specific recommendations, my staff has already briefed the committee on the underlying findings.

Should Congress consider reauthorizing AGOA, it should consider modernizing the program in alignment with President Trump's America First Trade Policy. Congress should consider incentivizing AGOA beneficiaries to develop deeper, reciprocal trade relationships with the U.S. beyond trade preferences and strengthening enforcement of eligibility criteria for AGOA-eligible countries to eliminate barriers to U.S. trade and investment and address unfair and unbalanced trade. Efforts to improve AGOA use among beneficiaries should benefit American workers, manufacturers, farmers, ranchers, service providers, and businesses.

Question 5: The President issued a recent Executive Order closing the *de minimis* loophole for Chinese goods, which is set to go into effect on May 2. 13

• How will USTR work with Customs and Border Protection (CBP) to prevent a country-by-country circumvention of de minimis shipments?

¹⁰ Full Committee Hearing on the Trump Administration's 2025 Trade Policy Agenda with United States Trade Representative Jamieson Greer Before the House Ways and Means Committee, 119th Cong. (April 9, 2025), https://waysandmeans.house.gov/event/full-committee-hearing-on-the-trump-administrations-2025-trade-policy-agenda-with-united-states-trade-representative-jamieson-greer/.

¹¹ The Honorable Jamieson Greer, *Questions for the Record from Senate Finance Hearing to Consider Jamieson Greer to be the U.S. Trade Representative*, Senate Finance Committee (Feb. 6, 2025), chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.finance.senate.gov/imo/media/doc/responses_to_questions for the record to jamieson greer.pdf.

¹² America First Trade Policy, The White House (Jan. 20,2025), https://www.whitehouse.gov/presidential-actions/2025/01/america-first-trade-policy/.

¹³ Executive Order to Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China as Applied to Low-Value Imports, The White House (April 2, 2025), https://www.whitehouse.gov/presidential-actions/2025/04/further-amendment-to-duties-addressing-the-synthetic-opioid-supply-chain-in-the-peoples-republic-of-china-as-applied-to-low-value-imports/.

Answer: U.S. Customs and Border Protection (CBP) has a number of tools in place to combat duty evasion practices, including advanced analytics and risk assessment based on data submissions from across the supply chain. CBP has entered into agreements and arrangements with trading partners around the world to cooperate on detection of duty evasion schemes and enforcement against them. With the resulting drop in *de minimis* package volumes from China expected after May 2, CBP will be in a position to focus more of its resources on screening and targeting packages from other locations. USTR will support CBP in continuing its robust efforts to address and prevent circumvention and duty evasion.

Question 6: The President has recently declared a national emergency to reduce the U.S. trade deficit.¹⁴

- Are there plans to pivot if these tariffs unintentionally increase long-term costs for American businesses and consumers, potentially impacting the sustained growth of the American economy and strong job market?
- Have you or your office conducted an analysis on the net impact of tariffs across different sectors of the economy? What metrics are being used to assess the net impact of tariffs on overall employment figures? What steps is your office taking to mitigate negative employment effects?
- Are you concerned these policies will weaken the United States' role as the global reserve currency?

Answer: During President Trump's first term, inflation decreased and real median wages increased as a result of his economic policies which included historic tariffs on Chinese imports. Together with improved policy for taxes, energy, regulations, and permitting, we expect the tariff program will incentivize U.S. manufacturing during a transition to an economy that produces more in our country.

Question 7: My office has received complaints from small businesses, manufacturers, and farmers that President Trump's reciprocal and universal tariffs are delaying hiring and investment decisions.

• How does the Administration plan to balance protecting domestic industries while mitigating the risks to American workers and businesses?

Answer: President Trump is committed to growing the economy and increasing real household income for all Americans. Multiple countries have approached the United States with initial offers of greater market access and reciprocity, which we are now negotiating.

¹⁴ Executive Order to Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits, The White House (April 2, 2025), https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/.

Question 8: Many companies are working to expand their U.S. footprint or reshore production to the United States. However, this remains a long and complicated process for many companies, particularly those manufacturing complex products with established foreign supply chains.

• Will there be any exemptions, exclusions, or other possible relief for companies with existing U.S. footprints?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act. Some products are not subject to this tariff action. This includes goods already subject to existing Section 232 tariffs (steel, aluminum, autos, and auto parts); goods that may be covered by future trade actions; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion. The full list of country-specific rates and products not subject to the tariffs are listed in the annexes to the order, which are available on the White House website. The President is not considering requests for exclusions or exemptions at this time.

Question 9: The supply chains that support manufacturing regularly rely on the procurement of components that only exist outside the United States, and even if production was reshored, the supply chain could not be replicated domestically. During my line of questioning, you were clear that there was not going to be an exclusion process for any tariffs. However, President Trump has exempted products from tariffs, at least temporarily. Based on guidance posed by CBP, roughly 20 products including computers, smartphones, semiconductors, and routers are to be excluded from the tariffs. 16

• Are you considering establishing an exclusion process for companies with supply chains that cannot be replicated in the United States?

Answer: On April 2, President Trump declared a national emergency arising from our non-reciprocal trade relationships and resulting overall trade deficit, and imposed tariffs under the International Emergency Economic Powers Act. Some products are not subject to this tariff action. This includes goods already subject to existing Section 232 tariffs (steel, aluminum, autos, and auto parts); goods that may be covered by future trade actions; lumber, copper, pharmaceuticals, and semiconductors; energy products; and bullion. The full list of country-specific rates and products not subject to the tariffs are listed in the annexes to the order, which are available on the White House website. The President is not considering requests for exclusions or exemptions at this time. The products to which you refer fall within the Section 232 investigation for semiconductors and related products, meaning that they are not in the scope of the reciprocal tariff, like other products covered by Section 232 investigations.

¹⁵ The President's 2025 Trade Policy Agenda Before the Senate Committee on Finance, 119th Cong. (April 8, 2025) (statement by the Honorable Jamieson Greer, U.S. Trade Representative), https://www.finance.senate.gov/hearings/the-presidents-2025-trade-policy-agenda.

¹⁶ Updated Guidance Reciprocal Tariff Exclusion for Specified Products, Customs and Border Protection (April 5, 2025), https://content.govdelivery.com/bulletins/gd/USDHSCBP-3db9e55?wgt_ref=USDHSCBP_WIDGET_2.

Question 10: The President's recent tariff announcements have upended many of the United States' trading relationships.

• As you negotiate with countries on reciprocal tariff rates, will those countries be able to trust that the U.S. will keep its word as they come to the table with new offers?

Answer: The President's actions have not "upended" our trade relationships. The vast majority of nations are responding to the Presidents April 2nd actions in a respectful and constructive manner. They respect President Trump and understand our nation's need to resolve the crises resulting from our large and persistent trade deficit.

Question 11: Auto manufacturing is a capital-intensive endeavor that takes years to come to fruition. There are some estimates that, if President Trump's 232 tariffs on automobile imports come into effect, vehicles will increase in cost by at least \$5,000.¹⁷

- If an automaker is investing in the U.S., do you support providing them some form of tariff relief during the plant construction period, as they attract suppliers and set up production?
- Is the Administration concerned that automakers are delaying additional investments in their facilities?

Answer: The Section 232 tariffs on automobiles and automobile parts are a Department of Commerce matter. That said, the President and his economic advisers, including the U.S. Trade Representative, are exploring a range of options to increase manufacturing output in the automobile sector.

52

¹⁷ Art Laffer, *Impact of a 25% Tariff on U.S. Auto Industry*, Unleash Prosperity (March 28, 2025), https://committeetounleashprosperity.com/research/impact-of-a-25-tariff-on-u-s-auto-industry/.