

January 30, 2019

Support Congressional Approval for Section 232 Designations

Dear Member of Congress:

On behalf of the millions of taxpayers, consumers, farmers, and businesses represented by our 38 organizations in all 50 states, we urge your support for the bicameral, bipartisan “Congressional Trade Authority Act.” This legislation would amend the Trade Expansion Act of 1962 to require Congressional approval before the President adjusts imports – often through tariffs or quotas – that are determined to impair national security.

Under this reform, any potential tariffs to be applied under Section 232 would be submitted to Congress and taken up within 60 days via an expedited procedure to ensure timely consideration. The bill would redefine the currently overly broad “national security” designation for 232 investigations to goods involving military equipment, energy resources, and critical infrastructure while also transferring investigative authority to the Department of Defense.

A four-year reach-back mechanism would capture recent trade decisions and bring them in line with this improved approach. And the bill would require the International Trade Commission (ITC) to administer an exclusion process that would apply to all importers of specific items for future Section 232 actions.

These commonsense reforms would reduce the misuse of alleged national security threats for costly, protectionist ends and help more appropriately balance power between the legislative and executive branches.

Ongoing trade uncertainty and harsh new tariffs are a serious threat to consumers and the economy that could undermine recent growth. Already, agriculture exports like soy beans have experienced significant losses. The cost of automobiles, both those imported and assembled in the U.S., could soar by an added \$1,262 to \$5,089. Numerous industries, such as boat and farm implement manufacturers, have also seen tariffs increase costs, eroding their profitability. This pain promises to grow worse - and to spread to all corners of the economy and family budgets.

Congress needs to take urgent action to stabilize our precarious trade environment. Article I, Section 8 of the U.S. Constitution gives Congress the authority to impose tariffs and regulate foreign commerce. This is an essential power that Congress should use to prevent damaging trade policies that could hurt our economy, farmers, American workers, and consumers. We support this and other efforts to restore Congressional powers over tariffs and other barriers to trade.

We applaud Senators Toomey (R-PA), Warner (D-VA), Sasse (R-NE), and Hassan (D-NH) along with Representatives Gallagher (R-WI), Kind (D-WI), LaHood (R-IL), and Panetta (D-CA) for their bipartisan leadership on this important issue. We strongly urge all Members of Congress to cosponsor the “Congressional Trade Authority Act” and work toward its swift enactment.

Sincerely,



National
Taxpayers
Union



Americans for
Prosperity



ALEC Action



American
Apparel &
Footwear
Association



American
Bakers
Association



American
Commitment



Americans for Tax Reform



Beer Institute



Campaign for Liberty



Center for Freedom and Prosperity



Club for Growth



Coalition of American Metal Manufacturers and Users



Competitive Enterprise Institute



Digital Liberty



Freedom Partners Chamber of Commerce



FreedomWorks



Heritage Action for America



Hispanic Leadership Fund



National Confectioners Association



National Marine Manufacturers Association



National Restaurant Association



National Retail Federation



National Tooling & Machining Association



Niskanen Center



North American Association of Food Equipment Manufacturers



Precious Metals Association of North America



Precision Machined Products Association



Precision Metalforming Association



R Street Institute



Secure America's Future Economy



Specialty Equipment Market Association



Taxpayers for Common Sense



Taxpayers Protection Alliance



U.S. Chamber of Commerce



Farmers for Free Trade



Retail Industry Leaders Association



Here for America



Association of Global Automakers