



AMERICANS for TAX REFORM

June 13, 2019

The Honorable Pat Toomey
United States Senate
248 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Toomey:

I write in support of S. 287, the Bicameral Congressional Trade Authority Act of 2019. This legislation restores important trade responsibilities to Congress, giving the legislative branch vital input on trade actions taken by the executive branch.

The Framers designed our constitutional system with careful checks and balances in mind. Article I, Section 8 of the U.S. Constitution gives Congress the express authority to “regulate commerce with foreign nations.” Historically, Congress has carefully deliberated and executed trade policy. Unfortunately, over the past several decades, Congress has ceded its trade authority to the executive branch.

To remedy this, S. 287 addresses and updates Section 232 of the Trade Expansion Act of 1962, a provision that allows the executive branch to levy tariffs on imports that “threaten to impair” U.S. national security. Under Section 232, the President can formally levy tariffs or other trade actions after the Department of Commerce conducts an investigation, with non-binding input from the Secretary of Defense.

The current administration has used the Section 232 statute to levy 25 percent tariffs on imported steel and 10 percent tariffs on imported aluminum. These sweeping tariffs have had a ripple effect on the world stage. While President Trump is right to target bad actors and renegotiate trade deals to benefit Americans, the impacts of steel and aluminum tariffs demonstrate that Congress should have input on the executive branch’s trade actions.

S. 287 protects the original intent of Section 232 by including several important reforms that vest trade power back in the hands of Congress. Specifically, the bill:

- **Gives Congress 60 days to approve any Section 232 actions.** If Congress does not pass an approval resolution in the 60-day window, the President’s proposed trade actions do not go into effect.
- **Narrows the Section 232 justification to its original national security intent.** The Department of Commerce uses an overly broad definition of national security in determining whether or not the President is justified in using his Section 232 authority. This legislation restricts the national security justification to imports with applications in energy resources, military equipment, or critical infrastructure.
- **Transfers the investigative authority from the Department of Commerce to the Secretary of Defense.** This ensures that a rigorous national security justification is met. Commerce can offer input about trade action severity after the Secretary of Defense renders a judgment.
- **Imposes retroactivity on Section 232 steel and aluminum tariffs.** If Congress does not pass an approval resolution for existing Section 232 tariffs in 45 days, any tariffs and quotas within the past 4 years are repealed.
- **Requires the International Trade Commission (ITC) to conduct reports on the economic impact of Section 232 tariffs, as well as implement an exclusion process for Section 232 tariffs.**

The reforms contained in your important legislation will give Congress input on executive branch trade actions as the Framers intended. Congress should pass this legislation, and President Trump should sign it into law.

Onward,

Grover G. Norquist

President
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