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International Trade, Customs & Export Law

The Election's Potential Impact on Trade in the Americas

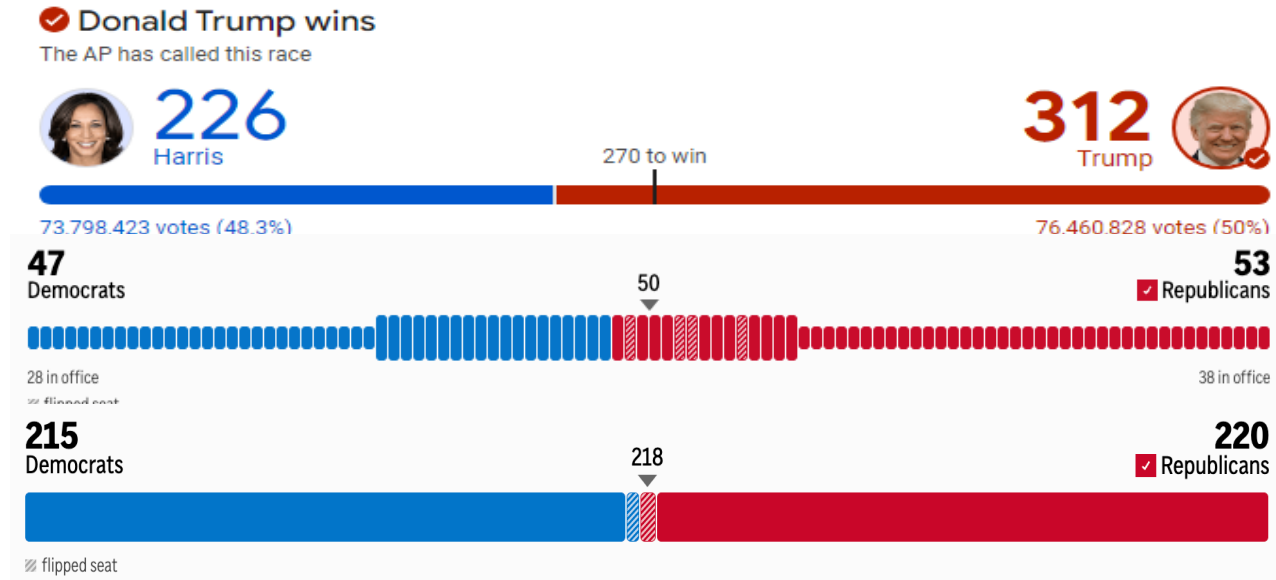


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Election Results Overview



	White House	Senate	House
Before Election	Democrat	51D – 49R	212D – 220R
After (so far)	Republican	47D – 53R	214 D – 220 R*
Net Gain	FLIP	R+4	Pending

Trump's Cabinet Picks



State
Marco Rubio



Commerce
Howard Lutnick



DHS
Kristi Noem



USTR
Jamieson Greer



NEC
Kevin Hassett



NEC
Scott Bessent

Other Potential Appointments



Border Czar
Tom Homan



Trade Czar
Robert Lighthizer



DOGE
Vivek Ramaswamy



DOGE
Elon Musk



Trade Czar? Robert Lighthizer

Former USTR, Positions in Book on Trade

1. Require all importers to export equal value of goods
2. Charge an adjustable fee on investment into the US – when high demand for dollars, fee would be assessed to moderate foreign demand for dollars – effectively reduce value of US dollar
3. Impose tariffs on all imports at a progressively higher rate each year until we achieve balance

*Strong advocate of IEEPA (International Emergency Economic Powers Act of 1977)



Testimony of Jamieson Greer

“I am concerned that a powerful Chinese Communist Party (“CCP”) and a powerful People’s Liberation Army (“PLA”) -- fueled by access to Western technology -- are using and will continue to use their power not only to limit U.S. influence abroad but also to eliminate our key industries.”

- Revoke China’s PNTR
- Invoke IEEPA – target China but focus on countries aiding/abetting
- Continue Section 301 tariffs, use section 201 and 232 and section 337 as well as to implement more export controls
- USTR put China on its Priority Foreign Country list
- US should negotiate new “sectoral” agreements with Philippines, Kenya and the UK
- ***Review existing agreements to update to USMCA agreement standards and ensure they are not being used as a back door for China to the US market.***



Or is it Howard Lutnick as Commerce Secretary and overseer of USTR?

- Nominated by President-Elect Trump to be Secretary of Commerce
- “He will lead our Tariff and Trade agenda, with additional direct responsibility for the Office of the United States Trade Representative”
- Congressional authority granted to President in certain circumstances on tariffs
- USTR is “Office of the President”
- If USTR now part of Commerce, Congress would have to authorize Commerce to act on tariffs

Possible Trade Actions Under Trump Administration

- Increase Chinese Tariffs to 60%
- Increase Tariffs on all countries by 10-20%
- Remove China's Permanent Normal Tariff Rate (PNTR)
- 100% tariffs on nations that leave the dollar
- 25-75% tariffs on Mexico
- 100% tariffs on automobiles made in Mexico
- Modification of country of origin



House Ways & Means Committee – Democrats

Changes in membership

- Rep. Blumenauer (OR) *Trade Ranking Member*– Did not seek reelection
- Rep. Kildee (MI) *Trade*– Did not seek reelection

Remaining members: 15

- Lloyd Doggett (TX)
- Mike Thompson (CA)
- John Larson (CT)
- Donald Beyer (VA) *Trade*
- Danny Davis (IL)
- Linda Sánchez (CA) *Trade*
- Dwight Evans (PA)
- Terri Sewell (AL) *Trade*
- Bradley Schneider (IL) *Trade*
- Suzan DelBene (WA) *Trade*
- Judy Chu (CA)
- Gwen Moore (WI)
- Jimmy Panetta (CA) *Trade*
- Jimmy Gomez (CA)
- Steven Horsford (NV)

119th Congress: Senate Leadership

Majority	Minority
<u>Majority Leader</u> John Thune (R-SD)	<u>Minority Leader</u> Chuck Schumer (D-NY)*
<u>Majority Whip</u> John Barrasso (R-WY)	<u>Minority Whip</u> Dick Durbin (D-IL)*

“We will have disagreements along the way. When they arise, we must listen to each other and keep working toward serving the people who gave us this mandate.” Sen. Thune, Nov. 11, Fox News Opinion Piece



Senate Finance Committee – Democrats

Changes in membership

- Thomas Carper (DE) – Did not run again
- Benjamin L. Cardin (MD) *Trade* – Did not run again
- Sherrod Brown (OH) *Trade* – Lost his race in OH
- Bob Casey (PA) *Trade* – Lost his race in PA

Remaining members

- Ron Wyden (OR) *Trade*
- Michael F. Bennet (CO) *Trade*
- Sheldon Whitehouse (RI)
- Debbie Stabenow (MI) *Trade*
- Mark R. Warner (VA) *Trade*
- Maggie Hassan (NH)
- Maria Cantwell (WA)
- Elizabeth Warren (MA)
- Catherine Cortez Masto (NV)
Trade



Lame Duck Session

2024 Legislative Calendar

Senate and House in session
 Senate only in session
 Federal holiday

November '24						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December '24						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



118th “Lame Duck” Options

- Funding the government (CR expires December 20)
- Disaster relief funding
- Defense bill
- Confirmation of judges
- Farm bill

America's Act

- Introduced in March 2024 by Senators Bill Cassidy (R-LA) and Michael Bennet (D-CO) S. 3878 and Representatives Maria Salazar (R-FL) and Adriano Espaillat (D-NY) H.R. 7571
- Incentivizes shift of production to Western Hemisphere countries providing grants and tax breaks for moving from China
- Supports “docking” existing FTAs to the USMCA to create one large trading block
- Amends the de minimis provision to a “reciprocal” value of the exporting country with any over that amount being subject to a duty which is then put into an account to fund the loans and grants



Summit of the Americas Act

- Introduced by Senators Hickenlooper, Cassidy, and Bennet and in House by Reps. Kamlager-Dove, Salazar and Castro in an effort to affirm and strengthen U.S. diplomatic ties to the Western Hemisphere.
- Directs the State to support the Summit of the Americas and to create a unit to track the commitments made to the Summit and to work with partners to ensure continued U.S. participation in the Summit.
- The Act also expresses support for the new Cities Summit of the Americas, which seeks to promote subregional leadership meetings as part of the broader Summit of the Americas.



APEP

- The Americas Partnership for Economic Prosperity, or “Americas Partnership,” launched November 3, 2023, President Biden and leaders of the eleven other Americas Partnership countries—Barbados, Canada, Chile, Colombia, **Costa Rica**, Dominican Republic, Ecuador, Mexico, **Panama**, Peru, and Uruguay
- APEP was formed with a focus on four pillars: Regional Competitiveness; Resilience; Shared Prosperity; and Inclusive and Sustainable Investment.
- The Americas Partnership Investment Network was launched July 2024, \$1 Billion pledged investment to Latin America/Caribbean by 2030; 46 enterprises graduated from USAID’s CATALYZE program, and the Americas Partnership countries supported Small and Medium sized business through Americas Partnership SME Inclusive Trade Inventory.
- The Department of State invested heavily into resiliency and supply chain bolstering programs throughout the region.

119th Congressional Trade Issues

- Trump's Reciprocal Trade Act
- China PNTR/new tariffs
- Section 321 De minimis
- GSP and TAA
- MTB
- AGOA
- Trump's proposed corporate tax rate cuts on domestic production

Questions?



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