LOTSIXTEEN

Committee: Senate Finance Committee
Event: The President's 2026 Trade Policy Agenda
Date: July 22, 2026

Executive Summary:

On Wednesday, July 22, 2026, the Senate Finance Committee hosted a hearing, titled "The President's 2026 Trade Policy Agenda" with U.S. Trade Representative **Jamieson Greer**. Senators raised questions regarding the status of the U.S.-Mexico-Canada Agreement (USMCA) renegotiations and critical mineral supply chains. Democrats flagged concerns regarding the disproportionate impact of tariffs on American consumers and border states, particularly in light of the recent use of Section 338 to levy additional 50 percent tariffs on Canada.

Member Toplines:

Chair Mike Crapo (R-ID): Crapo emphasized that trade policy facilitates opportunities for American farmers, ranchers, businesses, and workers. He attested to the need to eliminate unfair barriers to U.S. exports, citing concerns with digital service taxes, online content requirements, and data localization that targets U.S. digital firms. Crapo highlighted the value of USMCA, noting that it supports 13 million American jobs, has facilitated a 55 percent increase in investments in the U.S. from Canada and Mexico, and has led to $60 billion in agricultural exports. He emphasized that market access must be paired with strong enforcement. Crapo concluded that collaboration between Congress and the administration is essential to advancing trade policy and emphasized the need for business certainty.

Ranking Member Ron Wyden (D-OR): Wyden flagged the impact of tariffs on family farms and small businesses, and called out the unprecedented use of Section 338 to levy tariffs on clothes, school supplies, and other Canadian products. He raised issues with the Trump administration's corruption and emphasized the need for Congress to lead on trade. Wyden highlighted his introduction of the Congressional Trade Powers Reform Act (S.__), which would require congressional approval of any tariff proposed by the President, and would create an advisory committee to ensure that Congress is positioned to exercise its oversight duties.

Witness Toplines:

Amb. Jamieson Greer, USTR: Greer asserted that President **Donald Trump's** trade strategy is in response to the $1.2 trillion trade deficit that had grown by 40 percent in the past four years, and an atrophied industrial base. He attested to the success of the 19 framework and reciprocal deals, elevated export levels, and a $200 billion trade deficit in goods with China, which he asserted is the lowest it has been since 2005. Greer also highlighted manufacturing productivity and wage increases. He underscored the need for a resilient, diversified economy that protects American workers from unfair trading practices.

Major Takeaways:

<u>Tariffs & Refunds</u>

- Wyden expressed concern at discrepancies in trading relations, contrasting the levying of additional 50 percent tariffs on Canada with the formation of the U.S.-China Board of Trade. He asked if Canada will have higher tariffs than China on some products once the new Section 338 tariffs take effect.
    - Greer reported that Chinese products have higher tariffs, citing a 100 percent tariff on electric vehicles and Chinese steel and aluminum facing over 50 percent to triple digit tariffs. He added that he would circle back with analysis.
    - Sen. **Sheldon Whitehouse** (D-RI) stated that the recent Canadian tariffs will further burden American consumers.
- Sens. **Elizabeth Warren** (D-MA) and **Raphael Warnock** (D-GA) asked if tariffs have contributed to rising consumer prices. Greer argued they have not.
- Whitehouse flagged the disproportionate hurdle the tariff refunds process poses to small businesses. Greer asserted that the Customs and Border Protection (CBP) portal, known as CAPE, is easy to use and offered to connect constituents with CBP. Greer asserted that tariffs did not go through to consumers and were instead “eaten by foreign companies” or “diluted in the supply chain.”
    - Warren asked if American people will get refunds. Greer emphasized that importers of record can file for refunds.
- Sen. **Catherine Cortez Masto** (D-NV) asked if the Section 232 investigation into aircraft and aircraft parts will be made publicly accessible. Greer noted that the investigation is led by the Department of Commerce, but that he will raise it with the Secretary.
- Sen. **Peter Welch** (D-VT) shared the disproportionate impact of the trade conflict with Canada on Vermont businesses, which have experienced layoffs and a 40 percent decrease in tourism. Greer defended the recent tariff announcements and asserted that Canada has benefited from preferential treatments.

<u>Trade Deals</u>

- Crapo asked for a status update on reciprocal trade. Greer reported that Argentina is removing tariffs; Cambodia has removed all tariffs on U.S. goods; Malaysia and Indonesia are targeting the fall for reduction of all tariffs to zero and remove non-tariff barriers on U.S. goods; and Israel has passed an agreement to accept American standards. He highlighted the European Parliament’s passage of the U.S.-EU agreement, as well as the signed agreement with Jordan.
    - Crapo asked Greer how USTR is ensuring agreement durability; Greer pointed to enforcement and cited the value of Section 301 authorities.
- Sen. **Steve Daines** (R-MT) asked if Greer would support the repeal of the Jackson-Vanik provision to facilitate trade with Central Asian countries. Greer affirmed that if this is important to Congress, then he thinks that the administration would be supportive. He noted that Kazakhstan is rich with critical minerals and presents an opportunity to diversify supply chains.
- Whitehouse asserted that previous administrations have struggled to enforce environmental requirements and asked how Greer is improving this process. Greer pointed to USTR’s “firm stance” on Brazil via their recent Section 301 action on deforestation.

Critical Minerals

- Sen. **John Cornyn** (R-TX) asked for an update on critical mineral negotiations with China. Greer stated that China has had a commitment since May 2025 to expedite export control processing, so critical minerals are being exported to the U.S., and emphasized that engagement is ongoing concurrently with domestic efforts to invigorate production.
- Daines asked if Greer would support corrective action to respond to Russian dumping of palladium. Greer agreed.
- Sen. **Tina Smith** (D-MN) asked about trade tools to support taconite mining in Minnesota's Iron Range. Greer agreed that there are trade tools that can be leveraged.
- Cortez Masto noted that Indonesia had a ban on the export of raw critical minerals, such as nickel ore, which has resulted in Chinese investment in nickel refining in Indonesia. She asked if Indonesia is changing its laws in response to the White House joint statement on lifting export restrictions to the U.S. Greer said that USTR will hold Indonesia's "feet to the fire" on their commitments.

USMCA

- Crapo attested to bipartisan support for USMCA and asked for a timeline on negotiations, emphasizing the value of business certainty.
  - Greer responded that he is flying to Mexico City after this hearing to meet with Mexican President **Claudia Sheinbaum** and Secretary of Economy **Marcelo Ebrard.** He emphasized the need for strong rules of origin to incentivize production in North America, and acknowledged Congressional feedback about the need to strengthen labor and environment enforcement for Mexico. He expressed that he is hopeful that the three countries will be able to consider interim arrangements with enforcement actions ahead of the end of the year. He noted that rules of origin, labor, and environment may take longer and hopes to have discussions, including with Congress, next year.
- Cornyn asked what the administration's decision to not renew USMCA means. Greer stressed the need to strengthen rules of origin and increase investment in the U.S. auto sector, for which he attributed improvements to the Section 232 action on autos.
- Sens. **Chuck Grassley** (R-IA), **Michael Bennet** (D-CO), and Cornyn raised agricultural concerns pertaining to market access, impact to American farmers, and water access.
- Sen. **Marsha Blackburn** (R-TN) raised concerns that U.S. businesses face discriminatory tax audits in Mexico.

Fertilizer

- Grassley thanked the President for "delaying" the 18 percent duties on Morocco phosphate imports so Mosaic has competition. He asked about removing tariffs on anhydrous ammonia to inhibit fertilizer monopolization.
  - Greer stated that the administration doesn't want to facilitate reliance on a country like China, which "shuts fertilizer exports on and off at will." Grassley replied that Mosaic should stop shutting down phosphate production plants and asked how USTR can get China to remove fertilizer export restrictions. Greer stated that USTR "can talk to them," but that China benefits from weaponizing supply chain dominance.