



INFO REPORT ON THE TRADE REVIEW ACT OF 2025

The SPRING Group

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Executive Summary

Tariffs, which are taxes imposed on imported goods, have long been a tool used by the United States in its trade policy. Historically, presidents have used them to protect domestic industry and respond to national security threats. Presidential tariff authority stems from statutes such as the Trade Act of 1974, particularly from its Section 201 and Section 301. The Trade Expansion Act of 1962 also authorizes tariffs under its Section 232, in cases deemed relevant to national security. Furthermore, the International Emergency Economic Powers Act allows for the executive branch to impose trade restrictions during any point of an official and declared national emergency. This brief will analyze historical implementations of tariffs, analyze the Trade Review Act of 2025 and compare it with previous legislation, and provide recommendations for possible amendments to the bill.

1. Trump's First Term

1.1 China-United States Trade War

In 2018, President Trump used the Trade Act of 1974 to impose sanctions on many Chinese products. Specifically, Section 301 of the Act allows the United States to impose penalties or trade restrictions—such as tariffs—on foreign nations that breach U.S. trade agreements or take actions deemed “unjustifiable” or “unreasonable”.¹ In 2017, Trump asked the Office of the U.S. Trade Representative (USTR) to investigate Chinese economic practices, and the resulting report was released in March 2018. USTR found that multiple “acts, policies, and practices” were actionable under Section 301, including theft of U.S. intellectual property.² USTR urged the implementation of tariffs on \$50–60 billion worth of Chinese goods. Following USTR’s report, the Trump administration implemented a series of tariffs on \$250 billion worth of Chinese products, relying on Section 301 as a statutory authority. Trump announced a 25% tariff on \$50 billion of Chinese exports in July, declaring additional 10% tariffs on another \$200 billion worth of Chinese imports after China retaliated.³⁴ President Trump subsequently implemented further tariffs on an additional \$300 billion of Chinese products in 2019.⁵

¹ [CRS, 2025](#)

² [USTR, 2018](#)

³ [USTR, 2018](#)

⁴ [Tankersley & Bradsher, 2018](#)

⁵ [USTR, 2019](#)

1.2 Solar Panels & Washing Machines

In early 2018, President Trump used Section 201 of the Trade Act of 1974 to impose safeguard tariffs on imported solar panels and washing machines.⁶ Section 201 authorizes the president to implement temporary trade restrictions if increased imports are found to cause any substantial or serious injury to U.S. industries.⁷ This type of protectionist policy style has not been used in over 16 years, particularly under this provision. Following investigations performed by the U.S. International Trade Commission (ITC), which concluded that both domestic solar panel manufacturers and washing machine producers had suffered significant harm from the new surge in low-cost imports, President Trump approved a four-year tariff schedule. For solar panels, the administration imposed a 30% tariff in the first year, decreasing by 5 percentage points annually. For large residential washing machines, the administration imposed a 20% tariff on the first 1.2 million units imported annually, and a 50% tariff on units above anything that went above this quota. A similar tariff schedule was also applied to any imported washing machine parts. These tariffs were intended to provide a temporary window for domestic industries to recover and invest in competitiveness. However, critics, including importers, foreign manufacturers, and solar energy groups, argued that the tariffs would raise consumer prices and stall industry growth in downstream sectors.⁸

1.3 Steel & Aluminum

Using Section 232 of the Trade Expansion Act of 1962, the first Trump administration imposed tariffs on steel and aluminum products. Section 232 authorizes the President to restrict imports, such as through tariffs, if an investigation by the U.S. Department of Commerce (DOC) finds that those imports pose a threat to U.S. national security.⁹ If a threat is found, the DOC recommends action to the President. Critics from both parties have argued that this provides the executive branch with unilateral authority in trade, undermining the constitutional role of Congress to regulate foreign commerce as warranted by Article 1, Section 8. Whereas previous administrations' interpretations of Section 232 have been narrower in scope, Trumpian interpretations have increased in both frequency and scale. In January of 2018, the DOC carried out investigations, reporting that steel and aluminum were critical to national security and emphasizing the

⁶ [USTR, 2018](#)

⁷ [ITC, n.d.](#)

⁸ [PIIE, 2018](#)

⁹ [CRS, 2025](#)

importance of domestic steel and aluminum production to national security.¹⁰¹¹ The report also found that steel and aluminum imports were harming domestic industries. Subsequently, President Trump exercised his authority under Section 232 to impose a 25% tariff on steel imports and a 10% tariff on aluminum imports in March 2018, with exemptions for Australia, Mexico, and Canada. The Trump administration also exempted South Korea from the steel tariffs.¹²

Critics widely argued that the national security rationale was pretextual, and that the tariffs were economically protectionist and politically strategic, targeting trade imbalances and appealing to domestic steel-producing constituencies.¹³ During the Trump administration's first term, eight investigations took place under Section 232, with tariff action taken in three major cases (most notably the aforementioned case).¹⁴ Diverging from the traditional stance on Section 232, Trump's administration employed it not only in the context of traditional national security contexts such as steel and aluminum, but also broadened it into sectors surrounding economic security, such as automotive manufacturing and semiconductors.¹⁵

1.4 Retaliatory Tariffs

The tariffs implemented during Trump's first administration had wide-ranging economic effects across multiple sectors. One significant result was the implementation of retaliatory tariffs. The steel and aluminum tariffs on China resulted in China imposing retaliatory tariffs on key U.S. exports in April 2018. This included tariffs on several U.S. agricultural products like soybeans, pork, and tree nuts. In July of the same year, China responded to the Section 301 investigation by imposing further tariffs ranging from 5% to 25% on \$22.5 billion of agricultural products. In June 2018, the European Union (EU) imposed retaliatory tariffs of 25% on various U.S. agricultural products, including whiskey, corn, and processed fruits and vegetables. Turkey followed with tariffs ranging from 10% to 70% on items such as tree nuts, rice, whiskey, and tobacco. Canada and Mexico also responded with retaliatory tariffs on U.S. agricultural products—Canada applied a 10% tariff on products like coffee, orange juice, and prepared foods, while Mexico imposed tariffs of 15% to 25% on pork, fruit, and processed vegetables. These retaliatory measures were lifted in May 2019 in the time leading up to the signing of the United States-Mexico-Canada Agreement (USMCA), where the three countries agreed to

¹⁰ [U.S. Department of Commerce, 2018](#)

¹¹ [U.S. Department of Commerce, 2018](#)

¹² [Kaniecki et. al, 2025](#)

¹³ [Cato Institute, 2021](#)

¹⁴ [CRS, 2025](#)

¹⁵ [Young et. al, 2025](#)

have an import-monitoring mechanism for steel and aluminum. In June 2019, India implemented retaliatory tariffs ranging from 2% to 20% on \$240 million worth of U.S. goods such as almonds, walnuts, apples, and chickpeas.¹⁶

From mid-2018 through the end of 2019, U.S. agricultural export losses due to retaliatory tariffs from these six key trading partners totaled an estimated \$27 billion. China accounted for the vast majority, with tariffs contributing to nearly \$26 billion in lost exports. The EU and Mexico followed with estimated losses of \$600 million and \$500 million, respectively. According to researchers at the U.S. Department of Agriculture, these tariffs also significantly reduced the value of agricultural exports.¹⁷

1.5 Economic Impact

Under President Jimmy Carter, Section 232 was used to implement the 1980 embargo on Iranian oil imports in response to the Iran hostage crisis, which had a limited but symbolic economic impact, reinforcing the U.S. stance during an international emergency.¹⁸ President Ronald Reagan invoked Section 232 in 1982 to restrict imports of specialty steel and machine tools, aiming to protect critical Cold War-era manufacturing industries. These measures were narrow in scope and often included sunset clauses or were paired with domestic investment incentives and international consultations.¹⁹ By contrast, President Trump's 2018 tariffs were sweeping and global, affecting key allies like the EU, Canada, and Japan. The economic fallout was far more severe: the Federal Reserve found that while steel employment rose slightly, broader manufacturing suffered, leading to net job losses and higher input costs for U.S. firms.²⁰ In addition, according to a Peterson Institute study, the tariffs increased costs for downstream users, while retaliation from trading partners led to a 20% drop in U.S. soybean exports and forced the Trump administration to authorize \$28 billion in emergency farm subsidies.²¹ A paper from the National Bureau of Economic Research estimated the cost to consumers and businesses at nearly \$900,000 per job saved in the steel industry.²² Unlike Carter and Reagan, whose uses were strategic and internationally palatable, Trump's actions strained alliances, led to economic losses, and highlighted the dangers of using "national security" as a broad economic tool.

¹⁶ [Morgan, 2022](#)

¹⁷ [ibid.](#)

¹⁸ [CRS, 2022](#)

¹⁹ [Ronald Reagan Presidential Library, 1986](#)

²⁰ [Russ & Cox, 2020](#)

²¹ [PIIE, 2018](#)

²² [Amiti et. al, 2019](#)

2. Trump's Second Term

2.1 Section 232

In his second term, President Trump has continued to utilize Section 232 of the Trade Expansion Act of 1962 to impose tariffs under the justification of protecting national security. The DOC is currently carrying out six Section 232 investigations, examining how imports of copper, timber, lumber, semiconductors, pharmaceuticals, critical minerals, and medium- and heavy-duty trucks may impact U.S. national security.²³ The second Trump administration has also expanded existing tariffs on imported steel and aluminum. The DOC announced the issuance of an interim final rule in May, establishing a new process to add more products—specifically “derivative” steel and aluminum items—to the existing tariffs. This change was made after Presidential Proclamations 10895 and 10896, known as the “Inclusion Proclamations”, which instructed the DOC to find a way to expand the scope of steel and aluminum tariffs. The new rule established an inclusion process that allows U.S. manufacturers to request that certain derivative aluminum and steel articles be included in the tariffs. This also ended the aluminum and steel exclusion process, where companies previously could request exemptions to avoid tariffs on certain products.²⁴ Additionally, Trump signed a Proclamation in June to increase tariffs on steel and aluminum from 25% to 50%, exercising his authority under Section 232.²⁵

2.2 International Emergency Economic Powers Act

The International Emergency Economic Powers Act (IEEPA), which was enacted in 1977, gave the sitting president the ability to regulate trade and freeze assets in the face of foreign threats that were deemed “unusual and extraordinary”.²⁶ Although this act has primarily been used to create sanctions against hostile states or actors, President Trump used an expansive interpretation of IEEPA in his first term. He often used it to bypass congressional trade authority and justify large-scale tariffs. Notably, the number of ongoing emergency declarations under the IEEPA has increased significantly since 1984, accelerating after Trump’s first election.

In February 2025, Trump stated IEEPA as justification for new tariffs against Canada, Mexico, and China. He deemed the cross-border fentanyl trafficking and other trade

²³ [BIS, 2025](#)

²⁴ [BIS, 2025](#)

²⁵ [The White House, 2025](#)

²⁶ [CRS, 2024](#)

imbalances a national emergency.²⁷²⁸ For Canadian and Mexican goods, including all imports but oil, he applied a 25% tariff. For imports coming from China, the tariff stood at 10%. On April 2nd, two months later, Trump declared a national emergency and issued Executive Order 14257. This imposed a roughly 10% tariff on nearly all imports. In addition, Trump imposed massive tariffs under the executive authority conferred by the IEEPA in April 2025.²⁹ In May 2025, the US Court of International Trade ruled that Trump had exceeded his authority under IEEPA and struck down tariffs passed in April.³⁰ Trump promises to appeal this ruling.

3. Similar Legislation

3.1 Bicameral Congressional Trade Authority Act

The Bicameral Congressional Trade Authority Act was introduced by Senators Pat Toomey (R-PA) and Mark Warner (D-VA) in 2019 in response to the Trump administration's broad use of Section 232 to impose tariffs on steel and aluminium imports. The bill sought to limit executive power by requiring congressional approval within 60 days for any tariffs imposed under Section 232 on national security grounds. While both the BCTAA and TRA aim to restore Congress's role in trade legislation, the key difference lies in their approach to addressing the executive branch's power. The BCTAA intended to only address tariffs under Section 232, while the TRA is broader in scope and establishes a more general congressional process to rein in presidential tariff powers. The BCTAA received bipartisan support and was praised by business groups and economists for restoring the legislative branch's constitutional role in regulating trade. However, despite growing frustration in Congress over unilateral tariffs and global retaliation, the bill stalled in committee. It never reached a full vote, primarily due to resistance from Senate leadership and some lawmakers who favored maintaining strong executive authority for swift trade actions. Additionally, divided opinions on trade policy reform and competing legislative priorities limited the bill's momentum, preventing it from advancing out of committee.³¹

3.2 Trade Security Act

Proposed by Senator Rob Portman (R-OH) in 2019, the Trade Security Act aimed to increase accountability in Section 232 investigations by transferring investigatory

²⁷ [Reuters, 2025](#)

²⁸ [The White House, 2025](#)

²⁹ [CFR, 2025](#)

³⁰ [Wall Street Journal, 2025](#)

³¹ [CRS, 2022](#)

authority from the Department of Commerce to the Department of Defense. The bill argued that national security assessments should be made by defense officials rather than economic policymakers. It also introduced a requirement for the president to notify Congress before imposing tariffs and included a mechanism for reviewing tariffs every four years. Though it gained traction as a more moderate reform than some of its counterparts, the bill was ultimately overshadowed by competing proposals and did not advance.³²

3.3 Global Trade Accountability Act

The Global Trade Accountability Act, introduced by Senator Mike Lee (R-UT) in 2017, aimed to broadly rein in presidential authority to impose tariffs under Sections 201, 232, and 301 of the Trade Act. The legislation required congressional approval before any executive action restricting imports could take effect. Although it was introduced before President Trump began widely deploying tariffs, it gained renewed attention during the 2018 trade war. However, the bill lacked broad bipartisan support and did not progress beyond the introductory phase.³³

4. The Trade Review Act

4.1 History

The Trade Review Act of 2025 (S.1272) was introduced on April 3, 2025, by Senators Maria Cantwell (D-WA) and Chuck Grassley (R-IA) in the 119th Congress, with 13 Cosponsors, 7 of which were Republican and 6 of which Democrat, these included the likes of Moran, Klobuchar, Murkowski, Warner, and McConnell. It was read twice and referred to the Senate Committee on Finance on the first day, signaling the start of Legislative debate.³⁴

4.2 Key Features

The Trade Review Act of 2025 amends the Trade Act of 1974 by adding a new Section 155. Section 155(a) mandates that the President must submit a notification to Congress no later than 48 hours after imposing or increasing any import duty, including an explanation of the rationale and an assessment of its economic impact on U.S. businesses and consumers. Under Section 155(b), any such new or increased duties are to expire after 60 days unless Congress enacts a joint resolution of approval. Section 155(c) further allows Congress to immediately terminate a duty via a joint resolution of

³² [CRS, 2021](#)

³³ [Lee, 2021](#)

³⁴ [CRS, 2025](#)

disapproval. Crucially, Section 155(d) specifies that antidumping and countervailing duties are excluded, noting that the act would not apply to these duties imposed under the Tariff Act of 1930. The bill advocates that by amending the Trade Act of 1974, it establishes a clear, expedited process for both approval and disapproval, drawing procedural parallels to expedited treaties under the War Powers Act.³⁵

4.3 Objections

While the bill has garnered bipartisan interest, it has been met with criticism. In a White House Statement, the bill was called “dangerous”, arguing that it hampers the President's long-held authority—previously upheld by both courts and Congress—to exert leverage over foreign trade and respond to national emergencies. Furthermore, critics argue it may inhibit reshoring and supply chain resilience, fostering market uncertainty, and introducing procedural micromanagement.³⁶ Organizations like the Alliance for American Manufacturing (AAM) worry that this tilts the scales in favor of a status quo that has only led to surging trade deficits and a deteriorating industrial base. Stipulating trade and national security on the authority of congressional representatives would give a means for foreign nations and special interests to lobby their way directly into American foreign trade policy.³⁷ Additionally, several administration-aligned Senate Republicans have voiced concerns on how the Act could undermine the nimbleness needed to respond to national-security threats amid fast-moving global developments.³⁸ Still, a broader concern shared by many is how requiring economic assessments and legislative votes might politicize decisions that should be based on classified intelligence or fast-moving global developments.

5. Recommendations & Next Steps

Policymakers should support the Trade Review Act as a necessary step toward restoring balance between the executive and legislative branches in trade policymaking. Its sunset clause stipulates hard guarantees for Congressional checkback, while simultaneously giving the President ample jurisdiction to react in real time to quickly evolving global issues. Furthermore, the 48-hour notification section allows for the Federal government on the whole to be better informed while also appearing more stable and collaborative, both domestically and abroad. By increasing transparency and requiring Congressional oversight, the bill would help prevent future misuse of trade authority under the guise of national security, as the Trump administration has done

³⁵ [CRS, 2025](#)

³⁶ [APP, 2025](#)

³⁷ [AMP, 2025](#)

³⁸ [Reuters, 2025](#)

under statutory authorities such as Section 232. Supporting the TRA also means protecting U.S. industries and consumers from the unintended consequences of poorly targeted tariffs by requiring a detailed economic report and justification for the tariffs. While critics argue the bill introduces procedural inefficiencies, the far greater cost lies in allowing unilateral executive action. The TRA creates a more informed, transparent process that safeguards the American people from the domestic impact of impulsive executive trade decisions, which have historically resulted in rising prices for consumers and increased costs for manufacturers. By requiring democratically accountable trade policy, the bill ensures that tariffs are economically necessary, not politically expedient.