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House Committee on Ways and Means

And

Senate Finance Committee

Hearings on the Trump Administration's 2026 Trade Policy Agenda with United States Trade Representative Jamieson Greer

April 22 and 23, 2026

CTA Statement for the Record

Chairman Smith, Ranking Member Neal, and members of the Committee, thank you for the opportunity to submit this statement on behalf of the Consumer Technology Association (CTA).

As North America's largest technology trade association, CTA is the tech sector. Our members are the world's leading innovators – from startups to global brands – helping support more than 17 million American jobs. CTA owns and produces CES® – the most powerful tech event in the world.

In Ambassador Greer's testimony to the House Appropriations Committee hearing on the FY 2026 USTR budget request, he stated that recent tariffs have coincided with stronger export figures, a narrower goods trade deficit and increased investment announcements in sectors.¹ These top-line indicators, however, do not reflect what our industry is seeing. For CTA members, tariff costs are immediate, cumulative, and often unavoidable. They increase input prices, limit product availability, and drive up costs for American businesses and consumers, including when production or assembly occurs in the United States.

CTA supports a trade agenda that drives growth, strengthens supply chains, expands domestic manufacturing, and lowers costs for American families. Broad, layered, open-

¹ Budget hearing – The Office of The United States Trade Representative, House Appropriations Hearing, April 16, 2026, <https://appropriations.house.gov/schedule/hearings/budget-hearing-office-united-states-trade-representative>.

ended tariffs do the opposite. They raise costs, weaken investment incentives, and make U.S. companies less competitive.

In our Innovation Agenda for America 250, we call for predictable, pro-innovation trade policies.² The United States should expand trade agreements with allies and partners, and Congress should reassert its constitutional role in setting trade policy.

CTA supports the Administration's goals of a trade policy that strengthens U.S. economic growth, promotes innovation, enhances supply-chain resilience, and improves affordability for American consumers. Technology products increasingly integrate hardware, software, and digital services. As a result, trade policy outcomes directly affect U.S. competitiveness, domestic manufacturing, and the cost of living for American families.

The Administration has rightly emphasized strengthening domestic manufacturing capacity in strategic economic sectors and confronting unfair, burdensome, and market distorting practices by trading partners. CTA shares these objectives. However, tariffs imposed broadly, layered without coordination, or maintained indefinitely, undermine these goals and impose unnecessary costs on U.S. companies and consumers.

I. Tariffs Are the Wrong Tool to Strengthen U.S. Manufacturing

CTA supports policies to strength U.S. manufacturing capacity, such as upskilling and expanding our manufacturing workforce and streamlining permitting. Broad tariffs work against these goals.

Instead, they:

- Raise input costs for U.S. manufacturers, particularly for semiconductors, electronics components, and advanced materials;
- Discourage investment by injecting uncertainty into supply chains;
- Invite retaliation from trading partners and allies;
- Increase inflationary pressures; and
- Reduce the purchasing power of American households.

Consumer technology relies on global supply chains. Many inputs are not produced domestically at sufficient scale, quality, or price. Tariffs on these inputs function as an inflationary tax on U.S. manufacturing, rather than a driver of new capacity.

CTA cautions against attributing individual investment announcements or wage trends to tariffs alone. Capital investment decisions reflect tax policy, workforce availability,

² An Innovation Agenda for America 250: Policies to Advance U.S. Leadership in Global Technology, https://www.cta.tech/media/byjimncy/cta-innovation-agenda_onepager.pdf.

infrastructure, regulatory certainty and long-term demand. In the technology sector, tariffs on key inputs often deter investment by raising baseline costs and increasing uncertainty.

As the Administration seeks to grow domestic production, trade policy should lower costs, increase predictability and support investment, not raise barriers that increase costs for U.S. manufacturers and slow innovation.

II. CTA Policy Proposals on Tariff Mitigation and Non-Stacking

CTA urges the Administration to adopt targeted tariff mitigation measures that align trade enforcement with economic incentives and statutory intent.

A. Prevent Tariff Stacking Across Authorities

CTA recommends the Administration establish a formal policy preventing the cumulative stacking of tariffs imposed under Sections 122, 232, and 301 on the same product or input.

Ambassador Greer emphasized the value of maintaining multiple tariff authorities. Without a clear anti-stacking policy, overlapping tariffs compound costs without enhancing enforcement outcomes, particularly for downstream and consumer-facing industries.

Tariff stacking magnifies costs unrelated to the underlying policy objective, obscures accountability across agencies, and disproportionately harms downstream manufacturers and consumers.

The Administration should ensure that when multiple tariff authorities apply to the same product, only one tariff applies at a time, or cumulative duties are capped.

B. Establish Predictable, Transparent Review and Exclusions Processes

To support a vibrant and innovative U.S. economy, CTA urges USTR and other agencies to restore comprehensive, fair, and transparent tariff exclusion processes. Agencies should provide clear economic and national security criteria for tariff investigations and decisions.

Tariffs should have time limits with regular review (e.g., similar to the statutorily required necessity review under Section 307 of the Trade Act of 1974 mandating that USTR review the necessity and effectiveness of tariff actions under Section 301). If they no longer serve a clear purpose, agencies should remove them. If trading partners reduce barriers, the U.S. should respond in kind.

Recent decisions made without formal exclusion processes or defined criteria reduce confidence in the system and disadvantage small and mid-sized companies. A rules-based process is essential for long-term investment.

III. Support for USTR Efforts to Address Foreign Trade Barriers, Especially Digital Trade Barriers

CTA strongly supports USTR's efforts to confront unfair and discriminatory foreign trade barriers, particularly barriers to digital trade.

Foreign governments are imposing data localization requirements, restricting cross-border data flows, adopting discriminatory digital services taxes and advancing regulations that target U.S. companies. They are also using technical standards and conformity assessment procedures as trade barriers.

These measures undermine exports, innovation and market access for U.S. technology companies. The Administration's focus on addressing them through bilateral and multilateral negotiations is welcome and necessary. CTA encourages USTR to continue negotiating digital trade provisions consistent with or exceeding those in Chapter 19 of the USMCA and U.S.–Japan Digital Trade Agreement, and to enforce these commitments when they are violated or when discriminatory practices persist.

IV. Reciprocity Must Accompany Market-Access Gains

Trade enforcement should work in both directions. When U.S. trading partners meaningfully reduce trade barriers, especially in the digital economy, the United States should reciprocate.

CTA urges USTR to pair successful barrier removal with tariff reductions, suspend tariffs where partners comply and use tariff relief to secure durable commitments.

Reciprocity strengthens U.S. credibility and encourages allies and trade partners to align with American trade objectives.

When tariffs are imposed or maintained without clear off-ramps, trading partners often respond in kind, as seen with Canada and the European Union maintaining targeted retaliation lists against U.S. goods, and China imposing export controls on critical minerals and inputs essential to U.S. manufacturing and technology sectors.

V. USMCA Review: CTA Priorities

CTA strongly supports the United States-Mexico-Canada Agreement (USMCA) and urges the Administration to use the upcoming review process to modernize and strengthen the agreement, not to reopen core commitments.

CTA's priorities include removing Section 232 tariffs on Canada and Mexico, preserving strong digital trade provisions, avoiding rules of origin that raise costs without building capacity, and maintaining integrated North American supply chains.

CTA supports targeted efforts to address transshipment and non-market distortions, but any changes must be carefully calibrated to avoid unintended consequences. Overly

restrictive rules risk increasing costs and disrupting supply chains without meaningfully expanding production.

USMCA remains central to North American competitiveness, and the review should reinforce certainty, strengthen regional integration, and avoid introducing new trade friction.

VI. Section 301 Investigations and Limits on Modification Authority

CTA supports the use of Section 301 to address genuinely unfair foreign practices, but its application must remain disciplined and consistent with statutory intent.

CTA urges strict adherence to statutory limits, a clear nexus between findings and remedies, and restraint in the use of Section 301 as a broad industrial policy tool.

Expanding or overusing modification authority risks undermining transparency, predictability, and confidence in the U.S. trade remedy system.

VII. Section 232: The Need for Interagency Discipline and Coordination

CTA urges USTR to engage directly and consistently with the Department of Commerce and interagency partners to ensure disciplined use of Section 232 authorities.

Broad tariffs on downstream sectors such as semiconductors, critical minerals, robotics, and medical devices would raise costs, disrupt supply chains, and weaken U.S. competitiveness without materially advancing national security objectives.

CTA therefore calls for narrowly tailored actions with clear objectives, defined time limits, and full consideration of downstream impacts.

Conclusion

CTA urges Congress to work with the Administration to pursue a balanced trade agenda that expands market access abroad and lowers costs at home.

By reducing foreign barriers, limiting tariff overreach, and restoring predictability, the United States can strengthen domestic manufacturing, support innovation, and improve affordability for American families. CTA stands ready to work with Congress and USTR to advance these goals.