

119TH CONGRESS
2D SESSION

S. 5315

To impose additional duties on goods imported into the United States to eliminate the deficit in trade in goods.

IN THE SENATE OF THE UNITED STATES

AUGUST 6, 2026

Mr. SCOTT of Florida (for himself, Mr. CRAMER, and Mr. SHEEHY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To impose additional duties on goods imported into the United States to eliminate the deficit in trade in goods.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Deficit Elimini-

5 nation Act of 2026”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) Persistent bilateral deficits in trade in
9 goods undermine the national security, foreign pol-
10 icy, and economic interests of the United States.

1 (2) Pursuant to the authority provided by
2 clause 3 of section 8 of article I of the Constitution
3 of the United States to regulate commerce with for-
4 eign nations, Congress establishes the standards,
5 limitations, and procedures set forth in this Act gov-
6 erning the imposition of additional duties to address
7 such deficits.

8 **SEC. 3. DEFINITIONS.**

9 In this Act:

10 (1) **TRADE DEFICIT ECONOMY.**—The term
11 “trade deficit economy” means a trading partner
12 designated under section 4(a)(2).

13 (2) **TRADE REPRESENTATIVE.**—The term
14 “Trade Representative” means the United States
15 Trade Representative.

16 (3) **TRADING PARTNER.**—The term “trading
17 partner” means any country, economy, customs ter-
18 ritory, or customs union within which separate duty
19 rates or separate regulations of foreign commerce
20 are enforced.

21 **SEC. 4. DESIGNATION OF TRADE DEFICIT ECONOMIES.**

22 (a) **IN GENERAL.**—Not later than 30 days after the
23 date of the enactment of this Act, and on April 1 of each
24 year thereafter, the Trade Representative shall—

1 (1) determine whether the United States has a
2 bilateral deficit in trade in goods with each trading
3 partner of the United States;

4 (2) designate each trading partner with which
5 the United States has such a deficit as a trade def-
6 icit economy; and

7 (3) publish in the Federal Register—

8 (A) a list of trade deficit economies; and

9 (B) for each trade deficit economy, the
10 value of the bilateral deficit in trade in goods,
11 rounded to the nearest millionth dollar.

12 (b) BASIS FOR DETERMINATIONS.—The Trade Rep-
13 resentative shall make determinations and designations re-
14 quired by subsection (a) in a year—

15 (1) on the basis of the best available data on
16 bilateral trade in goods published by the Bureau of
17 Economic Analysis of the Department of Commerce
18 or another appropriate agency of the Federal Gov-
19 ernment; and

20 (2) using the most recent finalized calendar-
21 year data available as of January 31 of that year.

1 **SEC. 5. IMPOSITION OF ADDITIONAL DUTIES ON GOODS IM-**
2 **PORTED INTO UNITED STATES FROM TRADE**
3 **DEFICIT ECONOMIES.**

4 (a) IN GENERAL.—Not later than 15 days after pub-
5 lishing the list of trade deficit economies required by sec-
6 tion 4(a)(3), the Trade Representative, subject to the spe-
7 cific direction of the President, may impose, increase, de-
8 crease, suspend, or otherwise modify duties or other im-
9 port charges applicable to articles imported into the
10 United States from a trade deficit economy, in such
11 amount and for such period as the President determines
12 necessary to eliminate the bilateral deficit in trade in
13 goods with that economy.

14 (b) EXEMPTIONS.—The Trade Representative, sub-
15 ject to the specific direction of the President, if any, may
16 exempt from duties under subsection (a)—

17 (1) articles that, if subject to additional duties,
18 could—

19 (A) lead to the unavailability of the supply
20 of raw materials in the United States; or

21 (B) a material disruption to the availability
22 of critical goods, essential raw materials, arti-
23 cles necessary for national defense, or other ar-
24 ticles designated by regulation as necessary to
25 protect the national security or economic sta-
26 bility of the United States; or

1 (2) articles that cannot—

2 (A) be grown or produced in sufficient
3 quantities or at reasonable prices in the United
4 States; or

5 (B) obtained from sources other than a
6 trade deficit economy.

7 (c) CONSULTATION WITH CONGRESS.—Before im-
8 posing or modifying a duty under subsection (a), the
9 Trade Representative shall consult with the Committee on
10 Ways and Means of the House of Representatives and the
11 Committee on Finance of the Senate.

12 (d) RELATION TO EXISTING DUTIES.—Each duty
13 imposed or modified under subsection (a) with respect to
14 an article shall be in addition to any other duty imposed
15 by law with respect to the article.

16 **SEC. 6. AUTHORITY TO ENTER INTO AGREEMENTS WITH**
17 **TRADE DEFICIT ECONOMIES.**

18 (a) IN GENERAL.—The Trade Representative may
19 enter into negotiations with a trade deficit economy for
20 the purpose of entering into a bilateral trade agreement
21 to achieve a reduction of the bilateral deficit in trade in
22 goods between the United States and the trade deficit
23 economy.

24 (b) AGREEMENT TERMS.—An agreement entered
25 into under subsection (a) with a trade deficit economy

1 shall include provisions with the objective of substantially
2 reducing the bilateral deficit in trade in goods between the
3 United States and the trade deficit economy, including
4 commitments by the trade deficit economy—

5 (1) to correct, modify, or eliminate acts, poli-
6 cies, and practices that contribute to the deficit;

7 (2) to purchase United States goods; or

8 (3) to restrain or reduce exports to the United
9 States.

10 **SEC. 7. LIMITED DELEGATION OF AUTHORITY.**

11 Nothing in this Act shall be construed to confer upon
12 the President or the Trade Representative any authority
13 other than the authority expressly delegated by Congress
14 in this Act. The President and the Trade Representative
15 shall exercise such authority only in accordance with the
16 standards, procedures, and limitations established by this
17 Act.

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