

United States Senate

August 8, 2025

The Honorable Kristi Noem
Secretary
Department of Homeland Security
2707 Martin Luther King Jr Avenue Southeast
Washington, D.C. 20528

Dear Secretary Noem:

First and foremost, I want to thank you for your dedication to keeping our nation safe and secure. Under President Trump and your leadership, America's borders are once again strong and secure, American workers are seeing the dawn of a new Golden Age, and Communist China is finally being held accountable for its long-standing abuses.

For too long, the American worker has been ripped off by Communist China thanks to the "de minimis" loophole, which Communist China has used to sneak shipments valued below \$800 into the United States tariff-free and with minimal scrutiny. Worse, they've abused this loophole to funnel dangerous fentanyl and precursor starter chemicals into our nation that kill families and wreak havoc on our communities. I was glad to see President Trump's Executive Order on May 2nd eliminating the loophole take effect and subject these shipments to a tariff of up to 54% to crack down on this abuse.

However, Communist China is notorious for evading U.S. laws. The Communist Chinese regime seeks global domination, and they are willing to lie, cheat, and steal to undermine our country and our way of life to achieve it. President Trump knows well that Xi's regime is corrupt, oppressive, and cannot be trusted to abide by their agreements or by U.S. rules. It is why he's taken significant action to hold the regime accountable and put American interests first by phasing out our nation's reliance on adversaries like Communist China. We continue to see Communist China prove itself our enemy by willfully ignoring and often enabling the widespread trade fraud of Chinese exports by finding new loopholes to cheat the system and circumvent U.S. laws. These actors routinely manipulate shipping documents by grossly understating the value of their goods or deliberately mislabeling them to obstruct U.S. Customs and Border Protection (CBP) enforcement or funnel their exports through sham shell companies to use those nations as importers of record to circumvent restrictions and evade tariffs. These paper-front companies secure the bare minimum \$50,000 customs

bond from American surety providers, refuse to pay their financial obligations, then default and dissolve to short American companies, all while flooding the American market with cheap goods. Chinese exporters have even bragged about their doing so.¹ This is a calculated abuse by Communist China, far past negligence of a government.

Communist China has blatantly ripped off American businesses and our government for too long. A Goldman Sachs report indicates that in 2023, Beijing brazenly evaded up to \$130 billion worth of tariffs imposed during the president's first term. As you are aware, CBP is tasked with assessing liquidated damages and holding the importer and surety responsible for payment ([19 CFR 113.62\(n\)](#)), which is obviously made difficult by Communist China's circumvention of the system. In a 2018 report² by the Department of Homeland Security's Office of Inspector General (OIG), CBP has historically had numerous issues with collecting revenue and often collects the bond amount from sureties, which does not cover the full amount owed to the CBP.

Communist China's goal has been clear for years and made obvious by their actions. This regime wants to cripple the American economy and kill every American business and manufacturer, stripping American workers of opportunity. They want to destroy our economic independence and force our reliance on them, our enemy. Beijing has no intention of playing by our rules or participating in fair trade. They want economic warfare.

Under your and President Trump's leadership, we are seeing an incredible change of course from the prior administration as CBP secures the border and investigates numerous tariff evasion cases, takes enforcement actions to the fullest extent of the law, and brings in increasing tariff revenue. As you continue to carry out the president's agenda, increased cooperation with other government agencies, including the United States Trade Representative and the Department of Justice, will be critical to holding tariff evaders accountable. I have introduced legislation, the *Stopping Adversarial Tariff Evasion Act*, to support your efforts by cracking down on Communist China's ability to evade tariffs using other countries. We must continue to build on these efforts through ongoing consultation between CBP and Homeland Security Investigations, stronger enforcement through increased fines and penalties for fraud, improved monitoring and oversight of penalty cases, and, when applicable, ongoing implementation of risk-based bonding as recommended by OIG.

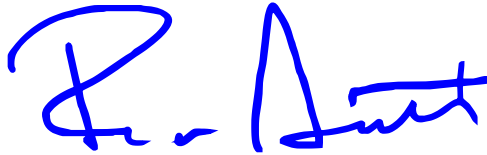
¹ <https://www.cnbc.com/2025/05/20/china-us-exporters-undervalue-cargo-dodge-us-tariffs-.html>

² [OIG-19-11 - CBP Did Not Maximize its Revenue Collection Efforts for Delinquent Debt Owed from Importers](#)

The Honorable Kristi Noem
August 8, 2025
Page Three

I want to thank you again for your tireless work to keep our nation safe, and as Florida's U.S. Senator, I will do everything I can to support your efforts, deliver on President Trump's agenda, and hold Communist China accountable, including the recovery of debts owed to the United States. I look forward to continuing this great work together.

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott", with a large, stylized "R" and "S".

Rick Scott
United States Senator