119TH CONGRESS
2D SESSION

S. ______

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

Mr. SCOTT of Florida introduced the following bill; which was read twice and referred to the Committee on ____________________

A BILL

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Trade Deficit Elimination Act of 2026''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Persistent bilateral deficits in trade in goods undermine the national security, foreign policy, and economic interests of the United States.

(2) Pursuant to the authority provided by clause 3 of section 8 of article I of the Constitution of the United States to regulate commerce with foreign nations, Congress establishes the standards, limitations, and procedures set forth in this Act governing the imposition of additional duties to address such deficits.

SEC. 3. DEFINITIONS.

In this Act:

(1) TRADE DEFICIT ECONOMY.—The term "trade deficit economy" means a trading partner designated under section 4(a)(2).

(2) TRADE REPRESENTATIVE.—The term "Trade Representative" means the United States Trade Representative.

(3) TRADING PARTNER.—The term "trading partner" means any country, economy, customs territory, or customs union within which separate duty rates or separate regulations of foreign commerce are enforced.

SEC. 4. DESIGNATION OF TRADE DEFICIT ECONOMIES.

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

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

(2) designate each trading partner with which the United States has such a deficit as a trade deficit economy; and

(3) publish in the Federal Register—

(A) a list of trade deficit economies; and

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

(b) BASIS FOR DETERMINATIONS.—The Trade Representative shall make determinations and designations required by subsection (a) in a year—

(1) on the basis of the best available data on bilateral trade in goods published by the Bureau of Economic Analysis of the Department of Commerce or another appropriate agency of the Federal Government; and

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

SEC. 5. IMPOSITION OF ADDITIONAL DUTIES ON GOODS IMPORTED INTO UNITED STATES FROM TRADE DEFICIT ECONOMIES.

(a) IN GENERAL.—Not later than 15 days after publishing the list of trade deficit economies required by section 4(a)(3), the Trade Representative, subject to the specific direction of the President, may impose, increase, decrease, suspend, or otherwise modify duties or other import charges applicable to articles imported into the United States from a trade deficit economy, in such amount and for such period as the President determines necessary to eliminate the bilateral deficit in trade in goods with that economy.

(b) EXEMPTIONS.—The Trade Representative, subject to the specific direction of the President, if any, may exempt from duties under subsection (a)—

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

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

(B) a material disruption to the availability of critical goods, essential raw materials, articles necessary for national defense, or other articles designated by regulation as necessary to protect the national security or economic stability of the United States; or

(2) articles that cannot—

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

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

(c) CONSULTATION WITH CONGRESS.—Before imposing or modifying a duty under subsection (a), the Trade Representative shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

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

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

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

(b) AGREEMENT TERMS.—An agreement entered into under subsection (a) with a trade deficit economy shall include provisions with the objective of substantially reducing the bilateral deficit in trade in goods between the United States and the trade deficit economy, including commitments by the trade deficit economy—

(1) to correct, modify, or eliminate acts, policies, and practices that contribute to the deficit;

(2) to purchase United States goods; or

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

SEC. 7. LIMITED DELEGATION OF AUTHORITY.

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