

Manufacturing Public Policy Monthly Slide Deck

Prepared by
Inside the Beltway Solutions, LLC
May 30, 2025



About Inside Beltway

- Washington-D.C.-based non-partisan lobbying, strategic consulting, and industry research firm
- Assist clients to navigate the complexity of public policy to help make informed decisions
- Represent clients before the White House, federal departments and agencies, the U.S. Congress, and other government and industry organizations

Key Services

- Lobbying and Public Policy Advocacy
- Strategic Planning
- Industry Research



Inside Beltway cannot provide legal or financial advice

June 2025 Monthly Content

U.S. Congress

House Passes Reconciliation Bill
Tax Provision in House-passed bill
Next Steps in Senate for Reconciliation
House FY26 Appropriations Schedule
Congress Overrides CA Emissions Waiver

Regulatory Update

EPA FY 2026 Budget & Reorganization
EPA Extends PFAS Reporting Period
Deregulatory Recommendation: Hex Chrome
Waters of the U.S. Listening Sessions
Deregulatory Recommendation: Hex Chrome
Nickel Toxicological Profile: ATSDR
OSHA Update: Site-Specific Inspections
Supreme Court Allows NLRB Termination
DOL Independent Contractor Guidance
NLRB Memo on Settlements
EEOC Gender Enforcement
2026 HSA Annual Limits

Regulatory Update, con't.

2026 HDHP Deductible Increase
SBA Regulatory Hotline
SBA Onshoring Initiative

Trade and Tariff Actions

Appeals Court Reinstates IEEPA Tariffs
Court of Int'l Trade Blocks IEEPA Tariffs
Details Pending on U.S.-UK Trade Deal
Tariffs Stacking Executive Order
CBP Guidance: Tariff Prioritization
China Reciprocal Tariff Rate Lowered
China De Minimis Tariff Decrease
Tariff Exception for "Feeder" Vessel Goods
Aircraft, parts 232 Investigation Initiated
President Threatens 50% Tariff on EU

Supply Lines and Industry Data

Import Tariff Payments Increase
Manufacturing Share of Economy
Manufacturing Activity

119th U.S. Congress (2025-2026)

House Passes Reconciliation Bill

- Restores full R&D expensing through 2029 retro to 1/1/25
- Eliminates R&D amortization through 2029 retro to 1/1/25
- 100% bonus depreciation through 2029 retro to 1/1/25
- Increases Section 179 expensing to \$2.5m, reduced by the amount the cost of qualifying property exceeds \$4m
- Allows 100-percent depreciation for qualified production property for construction started between January 20, 2025 and through December 31, 2028; must place facility into service by December 31, 2032

House Passes Reconciliation Bill

- Makes permanent top 37% individual income tax rate
- Restores full EBITDA standard for 163(j) business interest loan deductions through 2029 retro to 1/1/25
 - Increases gross receipts limitation from \$31m to \$100m
- Makes permanent Section 199A deduction for pass-throughs; increases maximum deduction to 23% of QBI
- Increases small biz gross receipts test from \$25m to \$80m
- Increases estate tax exemption to \$15m for 2026 (\$30m/couple); indexed annually for inflation

House Passes Reconciliation Bill

- Expands Pell Grants on July 2026 to short-term, workforce aligned programs of 150-600 hours or 8-15 weeks
- Expands 529 education savings accounts to allow tax-exempt distributions for registered apprenticeships; “qualified postsecondary credentialing expenses” in connection with “recognized postsecondary credential programs” and “recognized postsecondary credentials”
- Makes permanent Sec. 127 exclusion from employee income employer student loan payments up to \$5,250

Reconciliation Process

- House passed GOP only bill 215-214 (2 voted present)
- Senate returns to Washington, D.C. on June 2nd
- Bill needs 51 votes to pass; Senate may move by July 4
- Senate likely makes significant changes to parts of bill
- “Byrd Bath” review will strike non-budgetary provisions
- House-Senate GOP likely must reconcile any differences

House FY26 Appropriations Schedule

Tuesday, June 10, 2025

Defense Bill (Classified)

Friday, June 13, 2025

(Full Committee) Defense Bill

Thursday, June 26, 2025

Interior, Environment, and Related Agencies Bill

Thursday, July 10, 2025

Transportation, Housing and Urban Development, and Related Agencies Bill,
Energy and Water Development and Related Agencies Bill

Thursday, July 17, 2025

Commerce, Justice, Science, and Related Agencies Bill

Thursday, July 24, 2025

Labor, Health and Human Services, Education, and Related Agencies Bill

Congress Overrides CA Emissions Waiver

JOINT RESOLUTION Hide Overview ✕

Sponsor: [Rep. James, John \[R-MI-10\]](#) (Introduced 04/02/2025)

Committees: House - Energy and Commerce

Latest Action: Senate - 05/23/2025 Message on Senate action sent to the House. ([All Actions](#))

Roll Call Votes: There have been [3 roll call votes](#)

Tracker: 

Introduced

Passed House

Passed Senate

To President

Became Law

This joint resolution nullifies the Environmental Protection Agency notice titled *California State Motor Vehicle and Engine Pollution Control Standards; Heavy-Duty Vehicle and Engine Emission Warranty and Maintenance Provisions; Advanced Clean Trucks; Zero Emission Airport Shuttle; Zero-Emission Power Train Certification; Waiver of Preemption; Notice of Decision* (88 Fed. Reg. 20688) and published on April 6, 2023. Among other elements, the notice grants the California Air Resources Board request for a waiver several of its regulations, including the Heavy-Duty Vehicle and Engine Emission Warranty Regulations and Maintenance Provisions. (Under the Clean Air Act, California may seek waivers of the preemption prohibiting states from enacting certain emission standards.)

As of May 23, 2025

<https://www.congress.gov/bill/119th-congress/house-joint-resolution/87?q=%7B%22search%22%3A%22H.J.Res.+87%22%7D&s=1&r=2>

Regulatory Update and Administrative Actions

EPA FY 2026 Budget & Reorganization

PERCENT CHANGE IN FUNDING, BY DEPARTMENT AND MAJOR AGENCY

FY2026 COMPARED TO FY2025



“By reducing the EPA’s budget by billions of dollars, the President’s FY 2026 Budget demands maximum efficiency from the EPA while we continue to fulfill all of our statutory obligations.”

-- EPA Administrator
Lee Zeldin, May 15, 2025

EPA Announces Next Phase of Organizational Improvements to Better Integrate Science into Agency Offices, Deliver Clean Air, Land, and Water to All Americans

May 2, 2025

<https://www.epa.gov/newsreleases/epa-announces-next-phase-organizational-improvements-better-integrate-science-agency>

EPA Extends PFAS Reporting Period

Federal Register / Vol. 90, No. 91 / Tuesday, May 13, 2025 / Rules and Regulations

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 705

[EPA-HQ-OPPT-2020-0549; FRL-7902.2-01-OCSP]

RIN 2070-AL30

Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) Data Reporting and Recordkeeping Under the Toxic Substances Control Act (TSCA); Change to Submission Period

AGENCY: Environmental Protection
Agency (EPA).

<https://www.federalregister.gov/documents/2025/05/13/2025-08168/perfluoroalkyl-and-polyfluoroalkyl-substances-pfas-data-reporting-and-recordkeeping-under-the-toxic>

SUMMARY: The Environmental Protection Agency (EPA or Agency) is amending the data submission period for the Toxic Substances Control Act (TSCA) PFAS reporting rule by changing the start date for submissions and making corresponding changes to the end dates for the submission period, *i.e.*, the data submission period begins on April 13, 2026, and ends on October 13, 2026, with an alternate end date for small manufacturers reporting exclusively as article importers of April 13, 2027. As promulgated in October 2023, the regulation requires manufacturers (including importers) of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in any year between 2011–2022 to report certain data to EPA related to exposure and environmental and health effects. This change is necessary

Waters of the U.S. Listening Sessions

WOTUS Notice: The Final Response to SCOTUS

On March 12, 2025, the agencies announced a [Federal Register notice](#) publicizing a series of six listening sessions and a 30-day recommendations docket to solicit feedback on key aspects of the definition of “waters of the United States.” The six listening sessions will be held in-person with a virtual option for States, Tribes, industry and agricultural stakeholders, environmental and conservation stakeholders, and the general public. The agencies are committed to obtaining targeted input from a full spectrum of co-regulators and stakeholders on key topic areas related to the definition of “waters of the United States” in light of *Sackett v. Environmental Protection Agency*, regarding “continuous surface connection,” “relatively permanent,” and jurisdictional versus non-jurisdictional ditches. The agencies also seek input on implementation challenges related to those key topic areas. This webpage will be updated with information about the upcoming listening sessions.

- **Listening Session for Small Business Stakeholders:** May 19, 1:00 - 3:30 p.m. ET (Virtual and at EPA Headquarters in Washington, D.C.)
- [Second Listening Session for the Public](#): May 29, 2:00 - 6:00 p.m. MT (4:00 - 8:00 p.m. ET) (Virtual and in Salt Lake City, Utah)

EPA Industrial Stormwater Comments

Federal regulations at 40 CFR 122.26(b)(14)(i)-(xi) require stormwater discharges associated with specific categories of industrial activity to be covered under NPDES permits (unless otherwise excluded). One of the categories—construction sites that disturb five acres or more—is generally permitted separately because of the significant differences between those activities and the others. The 11 categories of regulated industrial activities are:

- Category One (i): Facilities subject to federal stormwater effluent discharge standards at 40 CFR Parts 405-471
- Category Two (ii): Heavy manufacturing (e.g., paper mills, chemical plants, petroleum refineries, steel mills and foundries)
- Category Three (iii): Coal and mineral mining and oil and gas exploration and processing
- Category Four (iv): Hazardous waste treatment, storage, and disposal facilities
- Category Five (v): Landfills, land application sites, and open dumps with industrial wastes
- Category Six (vi): Metal scrapyards, salvage yards, automobile junkyards, and battery reclaimers
- Category Seven (vii): Steam electric power generating plants
- Category Eight (viii): Transportation facilities that have vehicle maintenance, equipment cleaning, or airport deicing operations
- Category Nine (ix): Treatment works treating domestic sewage with a design flow of 1 million gallons a day or more
- Category Ten (x): Construction sites that disturb 5 acres or more (permitted separately)
- Category Eleven (xi): Light manufacturing (e.g., food processing, printing and publishing, electronic and other electrical equipment manufacturing, public warehousing and storage)

This proposed permit would replace the 2021 MSGP. This proposed permit would cover stormwater discharges from industrial facilities in areas where EPA is the NPDES permitting authority.

*Comments due
May 19, 2025*

<https://www.epa.gov/npdes/stormwater-discharges-industrial-activities>

Deregulatory Recommendation: Hex Chrome

May 12, 2025

Russell Vought, Director
ATTN: Kelsi Feltz
Office of Management and Budget
Office of Information and Regulatory Affairs
725 17th Street NW
Washington, DC 20503
Mailbox: MBX.OMB.Deregldeas@omb.eop.gov

Re: Comment on OMB's Request for Information: Deregulation, 90 Fed. Reg 15481 (April 11, 2025)

DEREGULATORY RECOMMENDATION: Rescind EPA's IRIS Human Health Assessment for Hexavalent Chromium

Dear Ms. Feltz:

We are submitting the brief comments below to support our deregulatory recommendation to rescind EPA's IRIS Toxicological Review of Hexavalent Chromium.

IRIS Health Assessments and Values Have a Direct Regulatory Effect and Should Be Subject to Deregulatory Review

Trump administration requested list of regulations to review for potential deregulatory action

Groups filed submissions in response such as this on Hexavalent Chrome

Nickel Toxicological Profile: ATSDR



Final Risk Profile – November 2024

As part of the Centers for Disease Control, ATSDR is viewed as "gold standard: by state, local and global regulators

Lowest "safe" human exposure level (inhalation) in the world

First Step in Major Risk Assessment for EPA and other wide-ranging rules

May 2025 – Ni Profile Removed by ATSDR

OSHA Update: Site-Specific Inspections

US DEPARTMENT OF LABOR UPDATES INSPECTION PROGRAM FOCUSING ON WORKPLACES WITH HIGHEST INJURY, ILLNESS RATES

WASHINGTON – The U.S. Department of Labor’s Occupational Safety and Health Administration announced it has updated the inspection program that directs agency enforcement resources to establishments with the highest rates of injuries and illnesses based on injury and illness data submitted in accordance with [OSHA’s recordkeeping requirements](#).

The Site-Specific Targeting program is OSHA’s primary planned inspection program for non-construction establishments with 20 or more employees.

Significant Changes

Based on OSHA’s past enforcement experience, the following changes have been incorporated into this current SST plan:

- For high-rate establishments, the SST plan selects individual establishments for inspection based on CY 2023 Form 300A data. The previous SST used CY 2021 data.
- For upward trending establishments, the SST plan selects individual establishments for inspection based on CY 2021 through 2023 Form 300A data. The previous SST used CY 2019 through 2021 data.
- The low-rate establishments list is generated using CY 2023 Form 300A data. The previous SST used CY 2021 data.
- The non-responders list is generated using CY 2023 data. The previous SST used CY 2021 data.

As of May 20, 2025

<https://www.osha.gov/sites/default/files/enforcement/directives/CPL-02-01-067.pdf>

Supreme Court Allows NLRB Termination

SUPREME COURT OF THE UNITED STATES

No. 24A966

DONALD J. TRUMP, PRESIDENT OF THE UNITED STATES, ET AL. *v.* GWYNNE A. WILCOX, ET AL.

ON APPLICATION FOR STAY

[May 22, 2025]

The Government has applied for a stay of orders from the District Court for the District of Columbia enjoining the President's removal of a member of the National Labor Relations Board (NLRB) and a member of the Merit Systems Protection Board (MSPB), respectively. The President is prohibited by statute from removing these officers except for cause, and no qualifying cause was given. See 29 U. S. C. §153(a); 5 U. S. C. §1202(d).

The application for stay presented to THE CHIEF JUSTICE and by him referred to the Court is granted. Because the Constitution vests the executive power in the President, see Art. II, §1, cl. 1, he may remove without cause executive officers who exercise that power on his behalf, subject to narrow exceptions recognized by our precedents, see *Seila Law LLC v. Consumer Financial Protection Bureau*, 591 U. S. 197, 215–218 (2020). The stay reflects our judgment that the Government is likely to show that both the NLRB and MSPB exercise considerable executive power. But we do not ultimately decide in this posture whether the NLRB or MSPB falls within such a recognized exception; that question is better left for resolution after full briefing and argument. The stay also reflects our judgment that the Government faces greater risk of harm from an order allowing a removed officer to continue exercising the executive power than a wrongfully removed officer faces from being unable to perform her statutory duty.

As of May 22, 2025

DOL Independent Contractor Guidance



**U.S Department of Labor
Wage and Hour Division**

May 1, 2025

Field Assistance Bulletin No. 2025-1

MEMORANDUM FOR: Regional Administrators
District Directors

FROM: Donald M. Harrison, III
Acting Administrator

SUBJECT: FLSA Independent Contractor Misclassification Enforcement Guidance

This Field Assistance Bulletin provides guidance to WHD field staff regarding the analysis to apply when determining employee or independent contractor status for purposes of enforcing the FLSA.

Background

A number of lawsuits are pending in federal courts challenging the legality of the rule entitled Employee or Independent Contractor Classification Under the Fair Labor Standards Act, 89 Fed. Reg. 1638, ("2024 Rule"), which outlined the framework for determining employee or independent contractor status under the FLSA. The Department has taken the position in those lawsuits that it is reconsidering the 2024 Rule, including whether to rescind the regulation. Specifically, WHD is currently reviewing and developing the appropriate standard for determining FLSA employee versus independent contractor status.

Enforcement Guidance

Consistent with the Department's position on the 2024 Rule expressed in the above-referenced litigation, WHD will no longer apply the 2024 Rule's analysis when determining employee versus independent contractor status in FLSA investigations. WHD will enforce the FLSA in accordance with [Fact Sheet #13 \(July 2008\)](#)*, and as further informed by [Opinion Letter FLSA2019-6](#) with respect to any matters for which no payment has been made, directly to individuals or to DOL, for back wages and/or civil money penalties as of May 1, 2025.

<https://www.dol.gov/newsroom/releases/whd/whd20250501>

NLRB Memo on Settlements

OFFICE OF THE GENERAL COUNSEL

MEMORANDUM GC 25-06

May 16, 2025

TO: All Regional Directors, Officers-in-Charge, and Resident Officers

FROM: William B. Cowen, Acting General Counsel

SUBJECT: Seeking Remedial Relief in Settlement Agreements

In [GC 25-05](#), I rescinded a number of General Counsel Memoranda urging Regions to include specific remedies or types of remedies in Settlement Agreements and complaints.¹ In so doing, I noted that full effectuation of the Act requires efficiency – that “if we attempt to accomplish everything, we risk accomplishing nothing.” As discussed below, while Regions retain the discretion to tailor remedial relief to the circumstances of each case,² the nonmonetary remedies discussed in the rescinded memoranda should not automatically be sought but typically limited to cases involving widespread, egregious, or severe misconduct.³

Likewise, with respect to make-whole relief, consistent with longstanding authority, Regions should continue to seek compensation for losses incurred by employees as a result of an unfair labor practice. However, we should be mindful of not allowing our remedial enthusiasm to distract us from achieving a prompt and fair resolution of disputed matters. In this regard, Regional Directors once again have significant discretion to resolve matters in the way they believe best accomplishes the purposes and policies of the Act.

As of May 20, 2025

EEOC Gender Enforcement Federal Court Vacates Portions of EEOC Harassment Guidance

EEOC Updates Website to Reflect Vacatur

WASHINGTON -- On May 15, 2025, a Texas federal court held the Biden-EEOC's expansion of the definition of "sex" in its [Enforcement Guidance on Harassment in the Workplace](#) was contrary to law (Texas, et al. v. EEOC, 2:24-CV-173 (N.D. Tex. May 15, 2025)). As a result, the court vacated portions of the guidance nationwide.

The EEOC previously issued the Enforcement Guidance on Harassment in the Workplace by a 3-2 vote in 2024. EEOC Acting Chair Andrea Lucas voted against the guidance and issued a [dissent](#) after it was approved by the EEOC majority. In particular, Lucas has been vocal in her opposition to portions of EEOC's harassment guidance that took the enforcement position that harassing conduct under Title VII includes "denial of access to a bathroom or other sex-segregated facility consistent with [an] individual's gender identity;" and that harassing conduct includes "repeated and intentional use of a name or pronoun inconsistent with [an] individual's known gender identity."

As of May 15, 2025

<https://media.defense.gov/2025/May/01/2003702281/-1/-1/1/ARMY-TRANSFORMATION-AND-ACQUISITION-REFORM.PDF>

2026 HSA Annual Limits

.01 HSA Inflation Adjusted Items.

(1) Annual contribution limitation. For calendar year 2026, the annual limitation on deductions under § 223(b)(2)(A) for an individual with self-only coverage under a high deductible health plan is \$4,400. For calendar year 2026, the annual limitation on deductions under § 223(b)(2)(B) for an individual with family coverage under a high deductible health plan is \$8,750.

2026 HDHP Deductible Increase

(2) High deductible health plan. For calendar year 2026, a “high deductible health plan” is defined under § 223(c)(2)(A) as a health plan with an annual deductible that is not less than \$1,700 for self-only coverage or \$3,400 for family coverage, and for which the annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums) do not exceed \$8,500 for self-only coverage or \$17,000 for family coverage.

SBA Regulatory Hotline

Get in touch

Red Tape Hotline

As the watchdog for small businesses in the regulatory process, the Office of Advocacy works to restrain regulation that imposes excessive costs on small businesses. Advocacy empowers you to make your voice heard in the regulatory process. If you have a concern with a federal regulation, please reach out and let us know.

RED TAPE HOTLINE

Or call 800-827-5722 and select option 3.



If you prefer to directly contact the agency responsible for the regulation impacting your business, you can [prepare a formal comment letter](#). Advocacy has drafted a guide to assist that process. If you choose to, we encourage you to [pass that letter on to Advocacy staff](#), who can help amplify your concerns.

<https://advocacy.sba.gov/hotline/>

SBA Onshoring Initiative

IndustryNet

IndustryNet lists over 350,000 U.S. suppliers of machinery, parts, supplies, and services organized by category.

[Explore IndustryNet resources](#)

What you can do with the portal

Search for verified U.S. manufacturers, producers, and suppliers, find inputs and goods that are Made in America, and connect with domestic organizations through SBA-cosponsored matchmaking platforms.

Thomasnet

Thomasnet helps small and medium businesses find and compare over 500,000 trusted American suppliers by location, company size and more.

[Explore Thomasnet resources](#)

Why it matters

Reduce exposure to overseas disruptions, shorten lead times, improve delivery reliability, strengthen quality control and operational resilience, and support American jobs and rebuild critical domestic industries.

CONNEX

CONNEX Marketplace connects U.S. manufacturers and suppliers into a searchable supply chain solution.

[Explore CONNEX resources](#)

Who it's for

Manufacturers sourcing components or materials, product-based businesses seeking more reliable inputs, or any small business ready to bring production back home.

Statements, Actions on Tariffs and Trade

Appeals Court Reinstates IEEPA Tariffs

ORDER

In the above-captioned cases, the United States Court of International Trade entered judgment against the United States and permanently enjoined certain Executive Orders imposing various tariffs. The United States moves to consolidate its appeals from those rulings and has applied for this court to stay the judgment and injunction pending these appeals and for an immediate administrative stay while the court considers that motion. The United States's request for the Court of International Trade to grant the same relief remains pending before that court.

Upon consideration thereof,

IT IS ORDERED THAT:

(1) The motions to consolidate are granted. The appeals are consolidated, such that only one set of briefs should be filed for the appeals. The revised official caption for the consolidated appeals is reflected in this order.

(2) The request for an immediate administrative stay is granted to the extent that the judgments and the permanent injunctions entered by the Court of International Trade in these cases are temporarily stayed until further notice while this court considers the motions papers.

U.S. Court of Appeals for Federal Circuit temporarily reinstates IEEPA tariffs

Plaintiffs must respond by June 5

U.S. Government responds by June 9

Losing party expected to appeal decision to U.S. Supreme Court

Administration calling for Supreme Court to quickly decide on IEEPA

As of May 29, 2025

Court of Int'l Trade IEEPA Tariff Ruling

Who: Court of International Trade

As of May 28, 2025

What: Vacated all tariffs implemented under the International Economic Emergency Powers Act

- Fentanyl-related tariffs on China, Canada & Mexico
- Reciprocal tariffs

Court found that Trump exceeded his authority in using IEEPA to

When: Tariffs were immediately blocked

To Know: If holds, importers could seek refund through Post Summary Correction or filing a protest after liquidation

Court of Int'l Trade IEEPA Tariff Ruling

Slip Op. 25-66

UNITED STATES COURT OF INTERNATIONAL TRADE

V.O.S. SELECTIONS, INC.; PLASTIC SERVICES AND PRODUCTS, LLC d/b/a GENOVA PIPE; MICROKITS, LLC; FISHUSA INC.; and TERRY PRECISION CYCLING LLC;

Plaintiffs,

v.

THE UNITED STATES OF AMERICA; UNITED STATES CUSTOMS AND BORDER PROTECTION; PETE R. FLORES in his official capacity as Acting Commissioner for United States Customs and Border Protection; JAMIESON GREER, in his official capacity as United States Trade Representative; OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE; and HOWARD LUTNICK, in his official capacity as Secretary of Commerce;

Defendants.

THE STATE OF OREGON; THE STATE OF ARIZONA; THE STATE OF COLORADO; THE STATE OF CONNECTICUT; THE STATE OF DELAWARE; THE STATE OF ILLINOIS, THE STATE OF MAINE; THE STATE OF MINNESOTA; THE STATE OF NEVADA; THE STATE OF NEW MEXICO; THE STATE OF NEW YORK; and THE STATE OF VERMONT;

Plaintiffs,

v.

Before: Gary S. Katzmman, Judge
Timothy M. Reif, Judge
Jane A. Restani, Judge

Court No. 25-00066

Before: Gary S. Katzmman, Judge
Timothy M. Reif, Judge
Jane A. Restani, Judge

Court No. 25-00077

Court Nos. 25-00066 & 25-00077

Page 2

UNITED STATES DEPARTMENT OF HOMELAND SECURITY; KRISTI NOEM, in her official capacity as Secretary of the Department of Homeland Security; U.S. CUSTOMS AND BORDER PROTECTION; PETE R. FLORES in his official capacity as Acting Commissioner for United States Customs and Border Protection; and THE UNITED STATES OF AMERICA;

Defendants.

OPINION

[The court grants Plaintiffs' Motions for Summary Judgment and denies Plaintiffs' Motions for Preliminary Injunction as moot.]

Dated: May 28, 2025

Per Curiam: The Constitution assigns Congress the exclusive powers to “lay and collect Taxes, Duties, Imposts and Excises,” and to “regulate Commerce with foreign Nations.” U.S. Const. art. I, § 8, cls. 1, 3. The question in the two cases before the court is whether the International Emergency Economic Powers Act of 1977 (“IEEPA”) delegates these powers to the President in the form of authority to impose unlimited tariffs on goods from nearly every country in the world. The court does not read IEEPA to confer such unbounded authority and sets aside the challenged tariffs imposed thereunder.

Court of Int'l Trade IEEPA Tariff Ruling

CONCLUSION

The court holds for the foregoing reasons that IEEPA does not authorize any of the Worldwide, Retaliatory, or Trafficking Tariff Orders. The Worldwide and Retaliatory Tariff Orders exceed any authority granted to the President by IEEPA to regulate importation by means of tariffs. The Trafficking Tariffs fail because they do not deal with the threats set forth in those orders. This conclusion entitles Plaintiffs to judgment as a matter of law; as the court further finds no genuine dispute as to any material fact, summary judgment will enter against the United States. See USCIT R. 56. The challenged Tariff Orders will be vacated and their operation permanently enjoined.

There is no question here of narrowly tailored relief; if the challenged Tariff Orders are unlawful as to Plaintiffs they are unlawful as to all. “[A]ll Duties, Imposts and Excises shall be uniform throughout the United States,” U.S. Const. art. I, § 8, cl. 1, and “[t]he tax is uniform when it operates with the same force and effect in every place where the subject of it is found.” Head

Money Cases, 112 U.S. 580, 594 (1884); see also Siemens Am., Inc. v. United States, 692 F.2d 1382, 1383 (Fed. Cir. 1982); Nat’l Corn Growers Ass’n v. Baker, 10 CIT 517, 521, 643 F. Supp. 626, 630–31 (1986) (noting “the statutory and constitutional mandate of uniformity in the interpretation of the international trade laws”).

Plaintiffs’ Motions for Summary Judgment are granted, and their Motions for Preliminary Injunction are denied as moot. Judgment will enter accordingly.

By the panel.

Dated: May 28, 2025
New York, New York

U.S. District Court for DC Ruling

Case 1:25-cv-01248-RC Document 37 Filed 05/29/25 Page 1 of 33

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

LEARNING RESOURCES, INC., <i>et al.</i> ,	:	
	:	
Plaintiffs,	:	Civil Action No.: 25-1248 (RC)
	:	
v.	:	Re Document Nos.: 8, 9
	:	
DONALD J. TRUMP, <i>et al.</i> ,	:	
	:	
Defendants.	:	

MEMORANDUM OPINION

**DENYING DEFENDANTS' MOTION TO TRANSFER VENUE; GRANTING PLAINTIFFS' MOTION FOR
A PRELIMINARY INJUNCTION**

As of May 29, 2025

Details Pending on U.S.-UK Trade Deal

Fact Sheet: U.S.-UK Reach Historic Trade Deal

- The reciprocal tariff rate of 10%, as originally announced on Liberation Day, is in effect.
- The United States will agree to an alternative arrangement for the Section 232 tariffs on UK autos.
 - Under the deal, the first 100,000 vehicles imported into the U.S. by UK car manufacturers each year are subject to the reciprocal rate of 10% and any additional vehicles each year are subject to 25% rates.
- The United States also recognizes the economic security measures taken by the UK to combat global steel excess capacity and will negotiate an alternative arrangement to the Section 232 tariffs on steel and aluminum.
 - This deal creates a new trading union for steel and aluminum.

As of May 8, 2025

<https://www.whitehouse.gov/fact-sheets/2025/05/fact-sheet-u-s-uk-reach-historic-trade-deal/>

Tariff Stacking EO

ADDRESSING CERTAIN TARIFFS ON IMPORTED ARTICLES

Executive Orders

April 29, 2025

For articles subject to more than one of the five tariff actions addressed in EO 14289

a) 232 Auto/Auto Parts - Proclamation 10908 of March 26, 2025 (Adjusting Imports of Automobiles and Automobile Parts into the United States), as amended;

b) International Emergency Economic Powers Act (IEEPA) Canada - Executive Order 14193 of February 1, 2025 (Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border), as amended;

c) IEEPA Mexico - Executive Order 14194 of February 1, 2025 (Imposing Duties to Address the Situation at Our Southern Border), as amended;

d) 232 Aluminum - Proclamation 9704 of March 8, 2018 (Adjusting Imports of Aluminum into the United States), as amended, and

e) 232 Steel - Proclamation 9705 of March 8, 2018 (Adjusting Imports of Steel into the United States), as amended.

<https://www.whitehouse.gov/presidential-actions/2025/04/addressing-certain-tariffs-on-imported-articles/>

https://content.govdelivery.com/bulletins/gd/USDHSCB_P-3e0a63e?wgt_ref=USDHSCB_P_WIDGET_2

Tariff Stacking EO

Order of Applying Tariffs	If Article is Subject to:	Then Not Subject to:	
Step 1	232 Auto/Auto Parts	IEEPA Canada, IEEPA Mexico, 232 Aluminum, or 232 Steel	Exception: Auto parts that qualify for preferential treatment under USMCA are not subject to 232 Auto or IEEPA tariffs.
Step 2	IEEPA Canada or Mexico	232 Aluminum or 232 Steel	Note: Articles qualifying for USMCA are not subject to IEEPA tariffs.
Step 3	232 Aluminum and Steel		Both tariffs may apply to products containing both aluminum and steel components.

https://content.govdelivery.com/bulletins/gd/USDHSCB_P-3e0a63e?wgt_ref=USDHSCB_P_WIDGET_2

CBP Guidance: Tariff Prioritization

GUIDANCE

For articles subject to more than one of the five tariff actions addressed in EO 14289, filers will pay duty in accordance with the prioritization below.

“Subject to” means that duty more than 0% is owed under the tariff action. Filers should calculate duties in the following order, with the understanding that 232 Steel and 232 Aluminum may apply to the same article.

1. First, filers should determine if an article is subject to the **232 Auto/Auto Parts** tariff. If so, then the article IS NOT subject to the IEEPA Canada, IEEPA Mexico, 232 Aluminum, or 232 Steel tariffs. For articles not subject to the 232 Auto/Auto Parts tariff, proceed to #2 below.

- o NOTE: Parts of passenger vehicles and light trucks that qualify for preferential treatment under United States-Mexico-Canada Agreement (USMCA), ARE NOT subject to the 232 Auto/Auto Parts tariff or the IEEPA Canada or IEEPA Mexico tariff. For auto parts that qualify for USMCA, proceed to #3 below.

As of May 15, 2025

CBP Guidance: Tariff Prioritization

2. Next, filers should determine if an article is subject to the **IEEPA Canada** or **IEEPA Mexico** tariff. If so, then the article IS NOT subject to the 232 Aluminum or 232 Steel tariffs. For articles not subject to the IEEPA Canada or IEEPA Mexico tariff, proceed to #3 below.

- o NOTE: Articles that qualify for preferential tariff treatment under USMCA, ARE NOT subject to the IEEPA Canada or IEEPA Mexico tariffs.
For such articles, proceed to #3 below.

3. Next, filers should determine if an article is subject to the **232 Aluminum** and/or **232 Steel** tariff. For derivative products subject to both the 232 Aluminum and 232 Steel tariffs, duties will be owed on both the value of the aluminum and steel content of that product.

- o NOTE: Aluminum and aluminum derivative products from Russia, and imports of such aluminum products from any country containing aluminum smelt or cast in Russia, ARE subject to the corresponding Section 232 duty rate of 200 percent.

As of May 15, 2025

China Reciprocal Tariff Rate Lowered

Executive Orders

MODIFYING RECIPROCAL TARIFF RATES TO REFLECT DISCUSSIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

May 12, 2025

<https://www.whitehouse.gov/presidential-actions/2025/05/modifying-reciprocal-tariff-rates-to-reflect-discussions-with-the-peoples-republic-of-china/>

Imported products of China, including products of Hong Kong and Macau, that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on May 14, 2025, will be subject to a reciprocal tariff of 10%.

Pursuant to the 90-day suspension articulated in the EO referenced above, the 10% reciprocal tariff will replace the 125% reciprocal tariff for products of China, including products of Hong Kong and Macau.

https://content.govdelivery.com/bulletins/gd/USDHSCB_P-3e044d9?wgt_ref=USDHSCB_P_WIDGET_2

China *De Minimis* Tariff Decrease

Executive Orders

MODIFYING RECIPROCAL TARIFF RATES TO REFLECT DISCUSSIONS WITH THE PEOPLE'S REPUBLIC OF CHINA

May 12, 2025

<https://www.whitehouse.gov/presidential-actions/2025/05/modifying-reciprocal-tariff-rates-to-reflect-discussions-with-the-peoples-republic-of-china/>

Sec. 4. *De Minimis* Tariff Decrease. To ensure that the reduction in duties pursuant to section 2 of this order is made fully effective and the purpose of Executive Order 14257, as amended, is not undermined, I also deem it necessary and appropriate to:

(a) decrease the *ad valorem* rate of duty set forth in section 2(c)(i) of Executive Order 14256 of April 2, 2025 (Further Amendment to Duties Addressing the Synthetic Opioid Supply Chain in the People's Republic of China as Applied to Low-Value Imports), as modified by Executive Order 14259 and Executive Order 14266, from 120 percent to 54 percent;

(b) retain in effect the per postal item containing goods duty of 100 dollars in section 2(c)(ii) of Executive Order 14256, as modified by Executive Order 14259 and Executive Order 14266, that has been in effect since 12:01 a.m. eastern daylight time on May 2, 2025

Accordingly, effective 12:01 a.m. eastern daylight time on May 14, 2025, shipments of covered products valued at or under \$800 arriving through international mail from China and Hong Kong will be subject to an ad valorem duty rate of 54% or a flat specific duty rate of \$100 per package.

https://content.govdelivery.com/bulletins/gd/USDHSCB-P-3e045a7?wgt_ref=USDHSCB-P_WIDGET_2

Tariff Exception for “Feeder” Vessel Goods

How are feeder vessel scenarios impacted by the in-transit guidance for reciprocal entries? —

ANSWER – SCENARIO A: Prior to the cutoff date for the reciprocal tariff in-transit provision, U.S. bound cargo is loaded onto a vessel destined for the U.S. En route to the U.S., this vessel stops at foreign ports to load/offload other cargo, or refuel, but the U.S. bound cargo remains onboard. This vessel arrives at a U.S. port of entry to unload the U.S. bound cargo and make entry.

The cargo in this scenario does qualify for the exception from reciprocal tariffs pursuant to the in-transit provision because prior to the cutoff date, the U.S. bound cargo was laden onto a vessel destined for the U.S. upon departure from the original port of loading and was never unladen or transferred onto another vessel.

Consequently, this vessel constitutes the “final mode of transit” for the laden goods.

ANSWER – SCENARIO B: Prior to the cutoff date for the reciprocal tariff in-transit provision, U.S. bound cargo is loaded onto a vessel destined for a foreign port prior to shipment to the U.S. At this foreign port, after the cutoff date, the U.S. bound cargo is transferred onto a different vessel that is destined for the U.S. This new vessel then arrives at a U.S. port of entry to unload the U.S. bound cargo and make entry.

The cargo in this scenario does not qualify for the in-transit exception for reciprocal tariffs because the U.S. bound cargo was laden onto a vessel destined for the U.S. after the cutoff date irrespective of when it departed from the original port of lading; it was thus not loaded onto a vessel that was the final mode of transit prior to the cutoff date for the reciprocal tariff in-transit exception.

<https://www.cbp.gov/trade/programs-administration/trade-remedies/IEEPA-FAQ>

Aircraft 232 Tariff Investigation Launched

SUMMARY:

On May 1, 2025, the Secretary of Commerce initiated an investigation to determine the effects on the national security of imports of commercial aircraft and jet engines, and parts for commercial aircraft and jet engines. This investigation has been initiated under section 232 of the Trade Expansion Act of 1962, as amended (Section 232). Interested parties are invited to submit written comments, data, analyses, or other information pertinent to the investigation to the Department of Commerce's (Department) Bureau of Industry and Security (BIS), Office of Strategic Industries and Economic Security. This notice identifies issues on which the Department is especially interested in obtaining the public's views.

DATES:

Comments may be submitted at any time but must be received by June 3, 2025.

As of May 13, 2025

<https://www.federalregister.gov/documents/2025/05/13/2025-08500/notice-of-request-for-public-comments-on-section-232-national-security-investigation-of-imports-of>

Trump Threatens 50% Tariffs on EU



Donald J. Trump ✓
@realDonaldTrump

The European Union, which was formed for the primary purpose of taking advantage of the United States on TRADE, has been very difficult to deal with. Their powerful Trade Barriers, Vat Taxes, ridiculous Corporate Penalties, Non-Monetary Trade Barriers, Monetary Manipulations, unfair and unjustified lawsuits against Americans Companies, and more, have led to a Trade Deficit with the U.S. of more than \$250,000,000 a year, a number which is totally unacceptable. Our discussions with them are going nowhere! Therefore, I am recommending a straight 50% Tariff on the European Union, starting on June 1, 2025. There is no Tariff if the product is built or manufactured in the United States. Thank you for your attention to this matter!

12.2k ReTruths 50.5k Likes

May 23, 2025, 7:43 AM



Donald J. Trump ✓
@realDonaldTrump

I was extremely satisfied with the 50% Tariff allotment on the European Union, especially since they were “slow walking (to put it mildly!), our negotiations with them. Remember, I am empowered to “SET A DEAL” for Trade into the United States if we are unable to make a deal, or are treated unfairly. I have just been informed that the E.U. has called to quickly establish meeting dates. This is a positive event, and I hope that they will, FINALLY, like my same demand to China, open up the European Nations for Trade with the United States of America. They will BOTH be very happy, and successful, if they do!!!

7.25k ReTruths 35k Likes

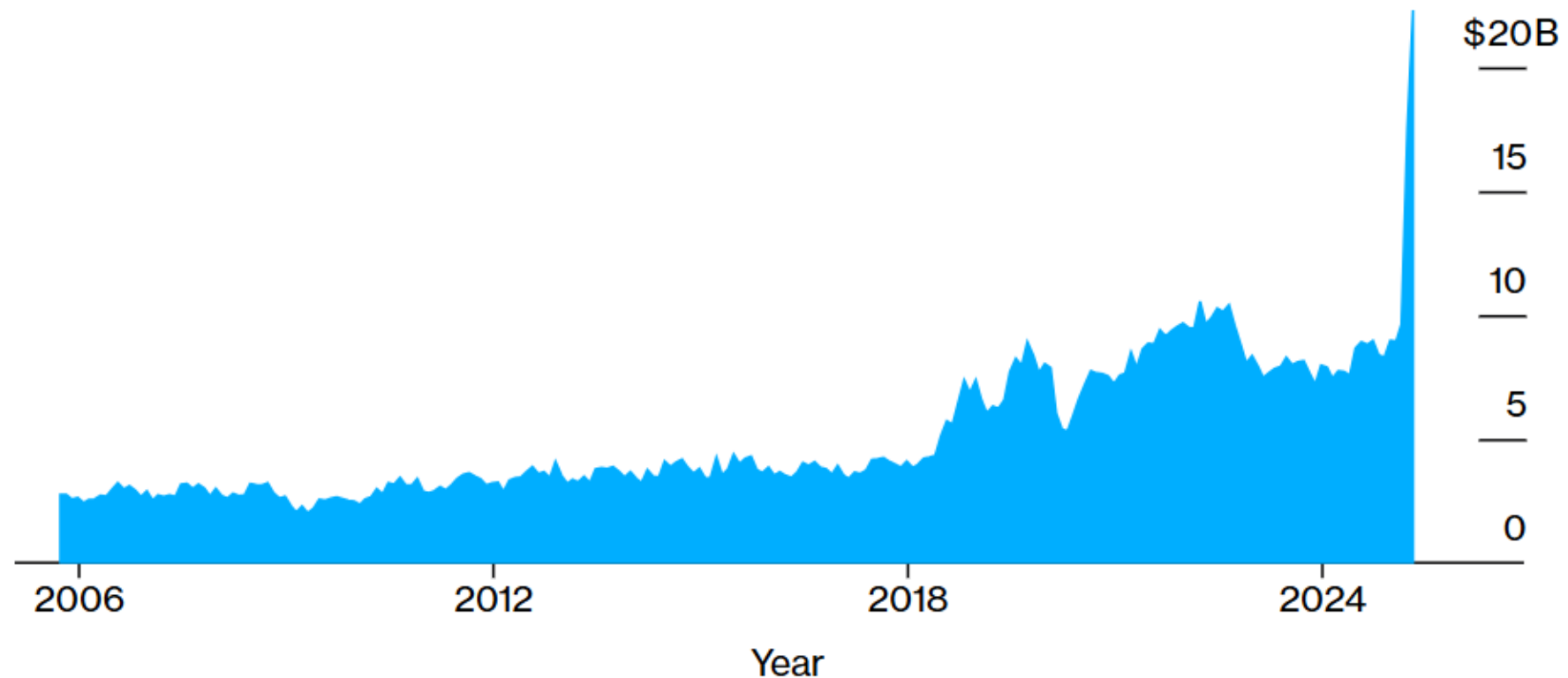
May 27, 2025, 9:25 AM

Supply Chains and Data Points

Import Tariff Payments Increase

Customs Duties Hit All-Time High in May

Customs and certain excise taxes collected by the Department of Homeland Security, by month



Source: US Department of the Treasury

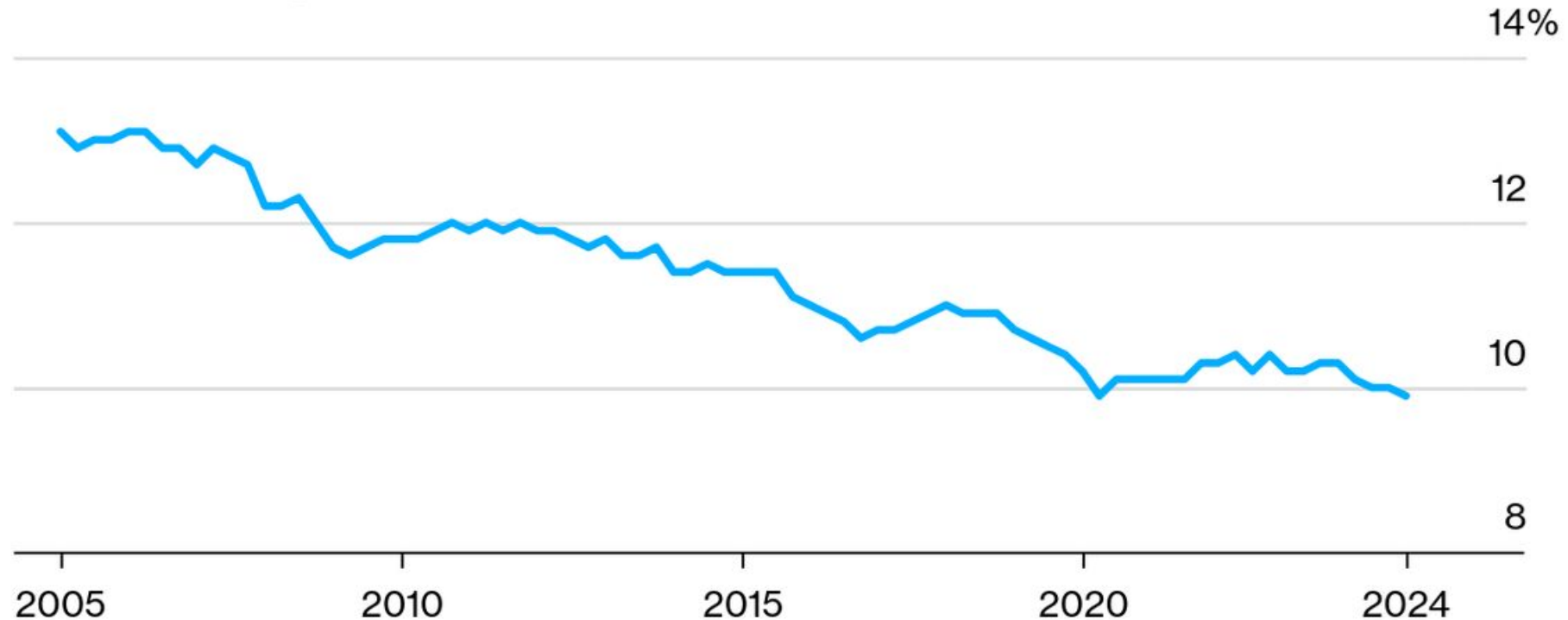
Note: Data through May 21. May data include daily collections and monthly lump-sum payments for April

Manufacturing Share of Economy

The Consumer Dominates

Manufacturing's share of the US economy has shrunk over the past few decades

Manufacturing as a % of GDP



Source: Bureau of Economic Analysis, via FRED

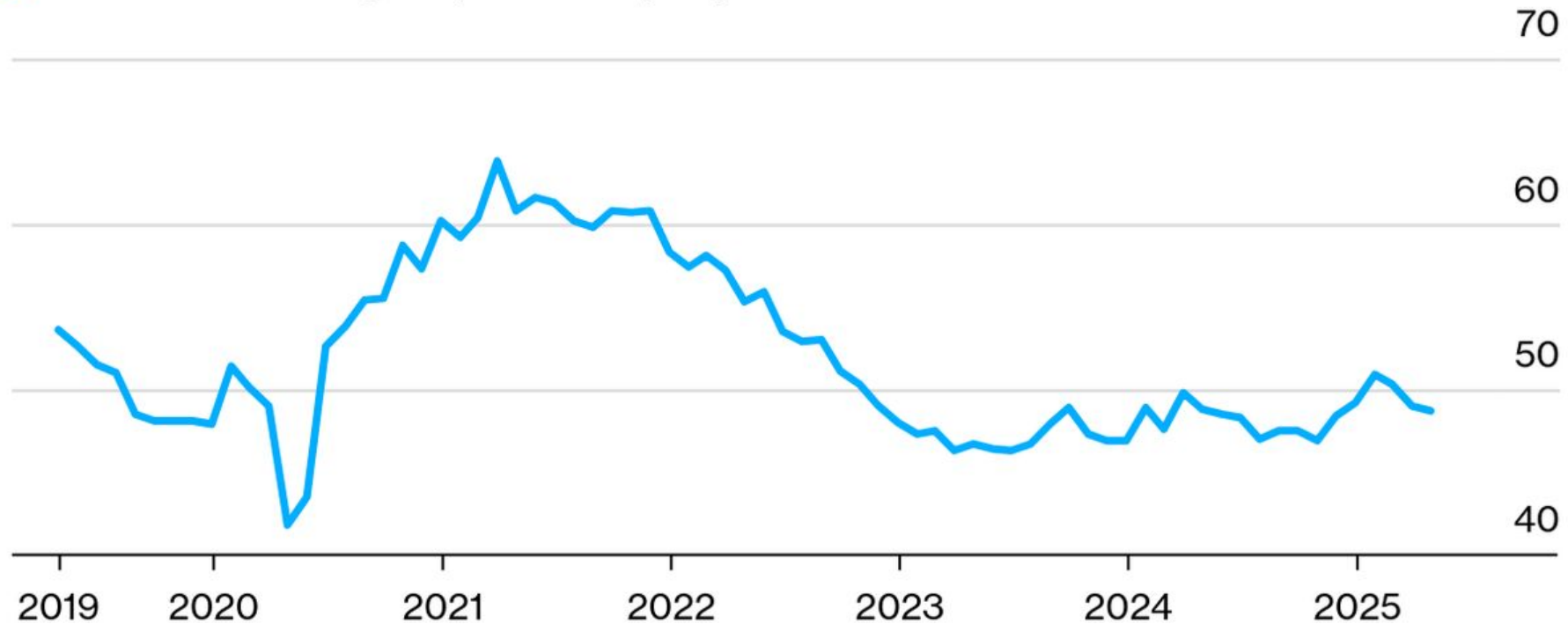
Bloomberg

Manufacturing Activity

Under Pressure

US manufacturing activity contracted in April by the most in five months as measures of orders and backlogs shrank

ISM Manufacturing PMI, Seasonally Adjusted



Source: Institute for Supply Management

Bloomberg

Contact

Omar S. Nashashibi

Founder

Inside Beltway

omar@insidebeltway.com

