## Congress of the United States

Washington, DC 20515

April 7, 2025

The Honorable Howard Lutnick Secretary of Commerce 1401 Constitution Avenue NW Washington, D.C. 20230

## **Re: Implications of Newly Announced Tariffs on the Port of Baltimore**

Dear Secretary Lutnick:

We write to you today to communicate our extreme concern about the implications of the recently announced tariff regime on the Port of Baltimore (the "Port"). On April 2, 2025, President Trump issued an Executive Order, titled *Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits* (the "Executive Order"), that announced a minimum 10% tariff on all imported goods, to take effect April 5. On April 9, higher levels of "reciprocal" tariffs will be placed on goods imported from nations with which the United States has a trade deficit. This latest action comes one week after the Administration's Executive Order titled, *Adjusting Imports of Automobiles and Automobile Parts into the United States*, which announced tariffs targeted at individual industries (i.e. automobiles, steel, aluminum) and countries (i.e. Canada, Mexico, China).<sup>2</sup>

The Port of Baltimore is one of the nation's most vital hubs for commerce, and it plays a crucial role in national supply chains. Last year, when the Francis Scott Key Bridge collapsed, the Port was closed for nearly two months, causing significant disruption to our economy.<sup>3</sup> The state of Maryland estimates that approximately 15,000 direct jobs and 139,000 indirect jobs depend on the Port of Baltimore, generating an estimated \$3.3 billion in personal revenue, \$2.6 billion in business income, and more than \$395 million in taxes.<sup>4</sup> The local economic impact was such that the United States Small Business Administration and the United States Department of Labor responded by issuing Economic Injury Disaster Loans and Dislocated Worker Grants for businesses and workers that were directly affected by the bridge's collapse and closure of the Port.

Despite the collapse, Baltimore's resiliency speaks to the Port's ability to retain its standing as our Nation's top ranked Port for wheeled farm and construction machinery, and reigns as the nation's second most utilized port for importing cars in 2024. In 2024, the Port of Baltimore exported more than \$2.9 billion and imported nearly \$23 billion in automobiles and light trucks. Additionally, the Port exported more than \$2.92 billion in coal and more than \$1.1 billion in agricultural equipment and materials. Overall, the Port of Baltimore exports roughly 28% of the nation's coal, making it the second-largest coal exporting port in the United States.

We are especially concerned about the latest announcement on tariffs considering the economic consequences for the American consumer. These tariffs effectively serve as a sales tax on consumers, placing the burden of

<sup>&</sup>lt;sup>1</sup> *The White House*, "Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits," April 2, 2025.

<sup>&</sup>lt;sup>2</sup> The White House, "Adjusting Imports of Automobiles and Automobile Parts into the United States," March 26, 2025.

<sup>&</sup>lt;sup>3</sup> Cann, Christopher, *USA Today*, "<u>Daily traffic delays, business struggles plague Baltimore a year after Key Bridge collapse</u>," March 26, 2025.

<sup>&</sup>lt;sup>4</sup> Maryland State Archives, State of Maryland, Maryland at a Glance, Waterways: Port of Baltimore.

<sup>&</sup>lt;sup>5</sup> Bologna, Giacomo; Gardner, Hayes, *The Baltimore Banner*, "Port of Baltimore lost its car crown — but Georgia's reign could be short-lived," February 25, 2025.

<sup>&</sup>lt;sup>6</sup> Maryland Port Administration, Port of Baltimore, <u>2024 Foreign Commerce Statistical Report</u>.

<sup>&</sup>lt;sup>7</sup> *Id*.

<sup>&</sup>lt;sup>8</sup> U.S. Energy Information Administration, Maryland: State Profile and Energy Estimates, *Profile Analysis*, Updated Jan. 16, 2025.

Secretary Lutnick April 7, 2025 Page 2

revenue raising on American families. While White House trade adviser Peter Navarro stated recently that these tariffs are expected to raise about \$600 billion a year in revenue, economists have clarified that the impact to consumers on spending will significantly reduce these revenue estimates. Instead, experts indicate these tariffs will raise prices for already-struggling consumers, trigger layoffs in industries with customers who rely on imports, and plunge our nation into a recession. It is included in the customers who rely on imports are consumers.

Considering the Port of Baltimore's critical importance to the economic wellbeing of the city, state, and our nation, we request a response to the following inquiries within 14 days:

- 1. What mechanism is the Department of Commerce utilizing to assess the feasibility and effectiveness of the tariffs issued under the Executive Order?
- 2. What efforts will the Department of Commerce take to track how these tariffs impact everyday costs for the American consumer, and national and local economies?
- 3. What are the long-term implications of these tariffs on our nation's major ports, and on our national supply chains?
- 4. How, specifically, do you expect the announced tariffs will impact automobile and light vehicle imports, coal exports, and agricultural equipment imports and exports?
- 5. Will the Administration waive tariffs on certain goods or sectors, or provide aid to impacted small businesses, impacted workers (i.e. farmers, dockworkers, etc.), and industries, in response to significant negative economic outcomes in the United States?

Thank you for your prompt attention to this important matter. We look forward to your reply.

Sincerely,

Kweisi Mfume

Member of Congress

Chris Van Hollen

United States Senator

Angela Alsobrooks

United States Senator

Angela D. alasbrooks

Steny H. Hover

Member of Congress

Jamie Raskin

Member of Congress

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Member of Congress

<sup>&</sup>lt;sup>9</sup> Fox News Sunday, "Peter Navarro says that the 'bigger picture' is 'restoring' the American manufacturing base," March 30, 2025.

<sup>&</sup>lt;sup>10</sup> Iacurci, Greg, CNBC News, "Tariffs will likely raise much less money than White House projects, economists say," April 2, 2025.

<sup>&</sup>lt;sup>11</sup> Isidore, Chris, CNN, "Tariff-related layoffs hit five US auto plants that supply factories in Canada and Mexico," April 3, 2025.

<sup>&</sup>lt;sup>12</sup> Waters, Carlos, *CNBC*, "<u>Trump's tariffs are expected to raise consumer prices, but a key question remains: By how much?</u>," April 1, 2025.

<sup>&</sup>lt;sup>13</sup> Rennison, Joe et al., *The New York Times*, "<u>Trade War Sets Off 'Max Pessimism' in Global Markets as Stocks Plunge</u>," April 2, 2025.

Secretary Lutnick April 7, 2025 Page 3

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April McClain Delaney Member of Congress

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