



NATIONAL ACTIVE AND RETIRED FEDERAL EMPLOYEES

MARYLAND FEDERATION

Statement of Paul Schwartz, Vice President, National Active and Retired Federal Employees

Senate Bill 757

Senate Finance Committee

March 5, 2026

Consumer Protection – Disclosure of Tariffs and Local Sourcing

I am Paul Schwartz, Region Vice President of the National Active & Retired Federal Employees – NARFE

And formerly the Director of Trade Enforcement for the United States Customs Service

As someone who has previously testified before the Court of International Trade, I testify before you today in support of SB 757

Regardless of whether imported merchandise enters into the United States through (*Blaine, WA, Long Beach, CA, Charleston, SC, Detroit, MI, Port Elizabeth, NJ,*) El Paso, TX, JFK Airport or any of the other approximately 330 ports of entry into the commerce of

the United States, the importer of record pays the import duty, or tariff, to the United States government AND the importer is in the United States.

That tariff, in the normal course of business, is ordinarily passed onto the ultimate consumer, YOU.

In either case, that cost is paid by a United States entity and NOT the foreign exporter – the SCOTUS ruling refunds will not be headed back to CHINA

AND, importantly, that importer knows exactly how much duty he paid on any particular imported item into the United States.

Since the importer of record knows exactly what he paid the U.S. government upon importation, requiring that information as a condition of purchase by the seller in Maryland is not asking for anything unreasonable.

Moreover, just as consumers have the right to know what ingredients are in their foods, they have a right to know what factors enter into the price they pay for the imported products.

This legislation simply requires disclosure of tariff information on products sold here in Maryland and made available to the consumer.

Moreover, the database will give some impetus to domestically produced materials and products.

I want to end by pointing out that we are no longer in the 1950's. Since the 1980's we have been a major player in the global economic community and the push had been to reduce or eliminate tariffs to open up more markets for our domestic industries.

While there is an important role for tariffs under certain circumstances, across the board tariffs were never designed to benefit the U.S. economy.

Amendment to Senate Bill 757 – Consumer Protection – Disclosure of Tariffs and Local Sourcing

SB 757 “Prohibits a person” from “...failure to disclose that the price of a consumer good includes a tariff imposed on the consumer good or on components of the consumer good and the amount of the tariff.”

While SB 757 will require import tariffs to be identified up front for the consumer/purchaser, it does not address the impact of the recent Supreme Court decision in *Learning Resources, Inc. v. Trump* which ruled that previously collected tariffs under the International Emergency Economic Powers Act (IEEPA) were unconstitutional and must now be refunded.

This amendment to SB 757 seeks to address that issue by requiring the state of Maryland to take the lead in coordinating the reimbursement of the illegally collected tariffs from Maryland importers and consumers. The amendment calls upon the state to take the lead in requesting from the federal government/U.S. Treasury, per Governor Moore's letter to the administration, “...that tariff revenues unlawfully collected from Maryland business and consumers be remitted to the Office of the Comptroller so the state may implement an orderly and equitable refund process.”

It is noted that the importer of record is the party that pays the tariff to Customs & Border Protection upon importation into the commerce of the United States so the amount of tariffs paid and the parties paying them is attainable. What will also be needed, however, is coordination with importers to return some of that tariff money to the ultimate consumers in Maryland through price reductions or some other method.

Softwood lumber from Canada – countervailing duties – counter Canadian subsidies competing with U.S. competitors.

Dumping of Chinese steel in the U.S. at prices less than sold in China – dumping duties

Sri Lanka – children’s wearing apparel – trade deficit – that industry will never again resurface in the U.S. – pennies on the dollar – Minimum wage

Most Favored Nation Status – Column 2