



## Section 232 of the Trade Expansion Act of 1962

Article I, Section 8 of the U.S. Constitution gives Congress power to impose duties and regulate foreign commerce. Congress has delegated some of these authorities to the President through statutes. Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. §1862) allows the President to impose restrictions on goods imports or enter into negotiations with trading partners if the U.S. Secretary of Commerce determines, following an investigation, that the quantity or other circumstance of those imports “threaten to impair” U.S. national security.

To date, the second Trump Administration has launched 12 Sec. 232 investigations and concluded five. The Commerce Secretary found national security threats in all five investigations, and President Trump has imposed tariffs in four cases. Some Members have indicated support for the President’s use of tariffs as a tool for pursuing the administration’s economic goals. Others have argued that tariffs negatively impact the economy and that Congress should restrict presidential authorities over trade. Congress may consider whether to bolster, curb, modify, or increase oversight of the President’s use of Sec. 232.

### Section 232 Process

Under Sec. 232, the head of any department or agency, or any “interested party” may request that the Secretary of Commerce investigate the effects of a specific import on U.S. national security. The Commerce Secretary may also self-initiate an investigation. The Commerce Secretary must immediately notify the Secretary of Defense regarding any Sec. 232 investigation. If a petitioner withdraws a request, Commerce may choose to terminate an investigation. See **Figure 1** for an overview of the Sec. 232 process.

**Investigation and Report.** Sec. 232 investigations are conducted by the Commerce Department’s Bureau of Industry and Security. Commerce must “immediately initiate an appropriate investigation to determine the effects [of the subject imports] on the national security”. Commerce is to consult with the Secretary of Defense, other “appropriate officers of the United States,” and allow for public input if “appropriate and after reasonable notice.” Within **270 days** of initiating a Sec. 232 investigation, the Commerce Secretary must submit to the President a report on the investigation’s findings with respect to the effect of an imported good “in such quantities or under such circumstances” upon U.S. national security and recommendations for action or inaction.

In conducting Sec. 232 investigations, the Secretary of Commerce and the President shall “recognize the close relation of the economic welfare of the Nation to our national security.” Though Sec. 232 does not define “national security,” it describes steps the Secretary of Commerce, in consultation with the Secretary of Defense, shall take “to determine effects on national security of

imports of articles.” In considering the impacts, the Secretary of Commerce and the President are to consider:

*Defense.* (1) domestic production required for projected U.S. defense needs; (2) capacity of domestic industry to meet such needs; (3) existing and anticipated availability of the human resources, products, raw materials, production equipment and facilities, and other supplies and services essential to U.S. national defense; (4) growth requirements of domestic industry and related supplies and services to meet U.S. defense needs and necessary conditions to assure such growth; and (5) the impacts of goods imports on U.S. industry and capacity to meet U.S. defense needs.

*Economy.* (1) “the impact of foreign competition on the economic welfare” of domestic industry; and (2) the “displacement” of U.S. products by “excessive imports” causing effects including “substantial unemployment,” decreases in government revenues, and/or loss of investment and skills.

**Figure 1. Overview of Section 232 Process**



Source: CRS graphic based on 19 U.S.C. §1862.

Once Commerce completes its report, Sec. 232 requires that “any portion ... which does not contain classified information or proprietary information shall be published in the *Federal Register*.” Commerce regulations (15 C.F.R. §705) state that an “executive summary” must be published in the *Federal Register* and that full copies of the report, excluding any classified or proprietary information, must be available for public inspection and copying. There is no specified timeline for publication. On December 20, 2019, Congress enacted legislation (P.L. 116-93, Sec. 112) compelling the Trump Administration to publish the report on a Sec. 232 investigation of auto imports in the *Federal Register* within 30 days of the bill’s enactment. The Biden Administration published the report in 2021.

**Presidential Action.** If Commerce determines that there is no threat to U.S. national security, no further action is taken. If Commerce determines that there is such a threat, the President has up to **90 days** to decide (1) whether to concur with Commerce’s determination; and (2) if concurring, whether to act. If the President opts to act, then the nature and duration of the action shall be specified, and the President has **15 days** to implement that action. Within **30 days** after deciding whether or not to take action, the President must submit a written statement to Congress providing the reasons for that decision.

If the President enters into negotiations and (1) after 180 days, no agreement is made, or (2) the agreement “is not being carried out or is ineffective in eliminating the threat” to national security, then the President shall take additional actions and publish them in the *Federal Register*.

In 1980, Congress amended Sec. 232 to include a disapproval mechanism to override presidential actions related to petroleum imports. During the 116<sup>th</sup> Congress, some Members proposed expanding this disapproval mechanism to all imports (S. 365/H.R. 1008).

### Previous Actions under Section 232

**1962-2017.** According to a Commerce report, from 1962 until the establishment of the World Trade Organization (WTO) in 1995, the United States had initiated 24 Sec. 232 investigations or related actions. The United States found national security threats in eight of those cases (seven involving petroleum and one involving machine tools). Several presidents took action against some petroleum imports, such as imposing **embargos and fees**. In the case of machine tools, the United States negotiated **voluntary export restraint agreements** with trading partners. Under voluntary export restraints, an exporting country puts self-imposed limits on its exports of a good to another country. In 1994, such arrangements were prohibited and phased out under the WTO Agreement on Safeguards.

From 1995 until the start of the first Trump Administration in 2017, the United States conducted two Sec. 232 investigations: petroleum (1999) and iron ore and semi-finished steel (2001). Commerce determined that petroleum imports threatened U.S. national security, but the President did not take action. Congress requested the iron ore and steel investigation; Commerce did not find a security threat.

**2017-2021.** During the first Trump Administration, Commerce completed seven Sec. 232 investigations: (1) aluminum, (2) steel, (3) automobile and automobile parts, (4) uranium, (5) titanium sponge, (6) transformers and transformer components, and (7) vanadium. In all completed investigations except for vanadium, Commerce found a threat to U.S. national security.

President Trump imposed **tariffs** on steel and aluminum in 2018. He later modified the steel and aluminum tariffs, granting certain product and country exemptions as well as negotiating **import quotas** and increasing tariff rates on specific countries and goods. For other goods, the Trump Administration entered into **negotiations** with trading partners. For uranium, President Trump did not concur with Commerce’s finding of a national security threat, but announced the establishment of a **working group**.

**2021-2025.** The Biden Administration conducted a Sec. 232 investigation into neodymium-iron-boron (NdFeB) permanent magnets and found a threat to U.S. national security. President Biden concurred with Commerce’s determination related to permanent magnets and announced various actions to improve supply chain resiliency.

### U.S. Trade Obligations

WTO members committed to use WTO dispute settlement mechanisms instead of unilateral mechanisms such as Sec. 232. At the same time, WTO agreements allow WTO members to take measures to protect “essential security interests” as an exception to certain prohibitions on trade barriers. U.S. free trade agreements include similar exceptions for trade measures related to national security. Some trading partners have challenged U.S. Sec. 232 tariffs at the WTO, alleging the Sec. 232 tariffs violate U.S. international trade obligations. Some trading partners have retaliated while others have suspended retaliation to allow for broader negotiations. Some observers have noted an increase in national security-related trade measures among WTO members, and argue that these measures undermine one goal expressed by participants in the multilateral trading system to remove trade barriers among nations.

### Issues for Congress

Some Members have indicated that they view tariffs as a tool for rectifying trade imbalances, increasing government revenue, and supporting U.S. manufacturing investment and jobs. In the 119<sup>th</sup> Congress, some Members have advocated for expanding presidential trade authorities (e.g., H.R. 735).

Some Members have asserted that tariffs may negatively impact the U.S. economy and relations with U.S. trading partners. Some Members have introduced legislation to limit presidential tariff authorities in general and under Sec. 232 in particular (e.g., S. 1272/H.R. 2665, H.R. 1903, H.R. 2712, H.R. 2842). Some supporters of restricting executive trade authorities advocate for Congress to play a larger role in setting and approving U.S. trade policy. Some Members have called for greater public engagement, transparency, and accountability with respect to the use of Section 232.

Some Members have called for exemptions for certain products or countries, like those in place until March 2025 for Sec. 232 steel and aluminum tariffs, to mitigate potential impacts on the U.S. economy. During the first Trump Administration, some Members successfully sought improvements to the Sec. 232 product exclusion process after it was established. In March 2025, President Trump removed or took steps to remove all steel and aluminum tariff exemptions, arguing that exemptions may “undermine” the objectives of tariffs.

The term “national security threat,” is not defined in Sec. 232. Some groups argue that the Trump Administration’s interpretation, particularly related to economic factors, is overly broad, resulting in overutilization of Sec. 232. The White House asserts that “economic security is national security.” Some groups argue that Congress should play a role in defining national security threats (e.g., H.R. 1903). Others support maintaining a flexible definition of national security, arguing that it allows the United States to respond quickly to evolving threats.

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