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Section 301 of the Trade Act of 1974

Title III of the Trade Act of 1974 (Sections 301-310, 19 U.S.C. §§2411-2420), titled "Relief from Unfair Trade Practices," is often collectively referred to as "Section 301." Under Section 301, Congress grants the Office of the United States Trade Representative (USTR) a range of responsibilities and authorities to investigate and take action (e.g., impose a tariff) to enforce U.S. rights under trade agreements or respond to certain foreign trade practices. As of June 2026, the second Trump Administration has initiated six investigations; four are ongoing and two investigations were completed in June 2026 (see **Table 1**). The 119th Congress could consider whether to urge or require the Administration to limit or expand its use of Section 301. Congress also could consider whether the use of Section 301 to investigate and impose tariffs on multiple trading partners is consistent with Congress's intent for the authorities granted by Section 301.

Section 301 Process

Section 301 investigations determine if the rights of the United States under any trade agreement are being denied, or an act, policy, or practice of a foreign government is burdening or restricting U.S. commerce. The statute defines "commerce" to include services and investment.

Initiation. Any interested person may file a petition with USTR requesting that the agency initiate an investigation under Section 301. USTR must determine whether to initiate an investigation within 45 days. USTR also may "self-initiate" a case. The statute requires that USTR publish notice of an investigation in the *Federal Register* and provide opportunity for public comment and hearing.

Administration. Section 301 investigations are conducted by a "Section 301 Committee," established in 15 C.F.R. §2002.3 as a subordinate, staff-level body of the USTR-led, interagency Trade Policy Staff Committee (TPSC). The Section 301 Committee reviews petitions, conducts public hearings, and makes recommendations to the TPSC regarding potential actions under Section 301. USTR bases its decision on recommendations provided by the TPSC.

Consultations. USTR is required to request consultations with the foreign government at the initiation of an investigation. If consultations do not result in a mutually acceptable outcome, USTR is required to request formal dispute settlement proceedings under a governing trade agreement, if applicable.

Determination and Implementation. Following consultations, USTR conducts an investigation to determine if the statutory criteria for action are met and, if so, what action if any to take. Section 301 divides actions into mandatory and discretionary categories. If USTR concludes there is a violation of a trade agreement or that an act, policy, or practice of a foreign government is "unjustifiable" and "burdens or restricts" U.S. commerce, responsive action is mandatory. If USTR determines that an act, policy, or practice of a foreign government is "unreasonable or discriminatory" and "burdens or restricts" U.S. commerce, action is discretionary. Section 301 specifies that USTR make a determination 12 months after an investigation begins for cases not involving a trade agreement or for "Special 301" cases involving countries identified as "priority foreign countries" for "onerous or egregious" violations against intellectual property rights.

Action. To remedy a foreign trade practice, Section 301 authorizes USTR to (1) impose tariffs or other import restrictions, (2) withdraw or suspend trade agreement concessions, and (3) enter into a binding agreement with the foreign government either to cease the conduct in question or compensate the United States. USTR must prioritize tariffs if it opts for import restrictions. Mandatory actions must "affect goods or services of the foreign country in an amount that is equivalent in value to the burden or restriction being imposed by that country on" U.S. commerce. The statute requires USTR give interested persons an opportunity to comment on proposed actions. Section 301 does not specify a tariff exclusion process.

Subsequent Actions. Section 301 specifies requirements for monitoring, modifying, and terminating actions. USTR must report to Congress the reasons for any modification or termination of an action. Under Section 301, foreign noncompliance is considered a violation of a trade agreement and subject to mandatory action. Section 301 actions terminate after four years, unless USTR receives a request for continuation and conducts a review of the case. In some instances, USTR may reinstate a previously terminated Section 301 action.

Use of Section 301 Since 2017

From the establishment of the World Trade Organization (WTO) in 1995 until the first Trump Administration, the United States used Section 301 primarily to build cases and pursue dispute settlement at the WTO. The first Trump Administration initiated six investigations under Section 301. The expanded use of the authority was part of a trade strategy that emphasized unilateral action and tariff actions by the United States after decades of multilateral coordination on tariff-setting through U.S. participation in free trade agreements and the WTO.

The Biden and second Trump administrations have continued to utilize Section 301 to investigate foreign trade practices and impose tariff actions. USTR has initiated six investigations during the second Trump Administration. In July 2025, USTR began an investigation into Brazil's practices related to digital trade and electronic payment services, ethanol market access, and other issues. USTR concluded this investigation in June 2026, finding that the acts, policies, and practices of Brazil at issue are actionable under Section 301 and proposing a 25% tariff.

In 2026, following a U.S. Supreme Court decision invalidating tariffs imposed by the second Trump Administration under the International Emergency

Economic Powers Act (IEEPA), USTR initiated two investigations under Section 301 into the practices of dozens of countries related to excess industrial capacity and action on forced labor on an "accelerated timeframe." USTR could potentially utilize the findings of these investigations to impose a regime of country-specific tariffs similar in scope to the global tariffs imposed under IEEPA in 2025. USTR concluded the investigation into action on forced labor in June 2025, proposing a 10% tariff for economies it found have failed to enforce an import ban on products made with forced labor and a 12.5% tariff on economies that it found do not impose such a ban. USTR might aim to finalize those tariff actions by late July 2026, when a 10% tariff imposed under Section 122 of the Trade Act of 1974 expires. The second Trump Administration also has initiated investigations into the People's Republic of China's (PRC's or China's) implementation of the U.S.-China "Phase One" deal (see "2017 Investigation into PRC Practices"), intellectual property protection in Vietnam, and underpayment for pharmaceuticals in Germany.

Table 1. Section 301 Investigations Since 2025

Country—Subject	Date Initiated	Status
Brazil—Various	July 2025	Concluded in June 2026. USTR seeking comments on proposed 25% tariff.
China—Implementation of Phase I Agreement	October 2025	Ongoing.
16 economies—Structural Excess Capacity	March 2026	Ongoing.
60 economies—Imposition and Enforcement of Forced Labor Import Bans	March 2026	Concluded in June 2026. USTR seeking comments on proposed 10-12.5% tariffs.
Vietnam—Intellectual Property Protection	May 2026	Ongoing.
Germany—Underpayment for Pharmaceutical Products	June 2026	Ongoing.

Source: USTR.

In 2024, the Biden Administration initiated three investigations under Section 301 that were completed in 2025. In each case, USTR determined the policies under investigation were actionable under Section 301 but did not take actions that would immediately increase tariffs or other import restrictions. Investigations into labor and human rights practices and the rule of law in Nicaragua and PRC policies in the semiconductor industry, both initiated in 2024, found actionable conduct under Section 301 in 2025 but resulted in no immediate additional tariffs. An investigation into PRC shipping and shipbuilding practices, initiated in 2024, resulted in a January 2025 finding by the Biden Administration that PRC practices burden or restrict U.S. commerce, but proposed port fees and tariffs were suspended in 2025.

Investigations into Foreign Digital Services Taxes

The second Trump Administration has indicated that it will evaluate the impact of digital services taxes (DSTs) on U.S. firms, including considering whether to initiate new Section 301 investigations or renew prior investigations. The first Trump Administration investigated DSTs implemented or under consideration in 11 jurisdictions in 2019 and 2020, finding that some DSTs discriminated against U.S. firms and burdened or restricted U.S. commerce. USTR immediately suspended tariff actions under Section 301 to allow time for negotiations under a framework that would have provided an alternative approach for taxation of multinationals and prohibited unilateral DSTs. The framework's implementation stalled. The United States withdrew in 2025.

2017 Investigation into PRC Practices

The first Trump Administration initiated an investigation into PRC practices related to forced technology transfer, intellectual property rights, and innovation in 2017. In 2018, USTR imposed four rounds of tariffs ranging from 7.5% to 25% on around $370 billion worth of U.S. imports from China; China retaliated with tariffs on $100 billion worth of U.S. goods. The two sides negotiated the "Phase One" deal, concluded in 2020, to address U.S. concerns. In 2024, USTR concluded the statutory four-year review of Section 301 actions and their impact on the U.S. economy. USTR maintained existing tariffs and increased tariffs on certain products (e.g., electric vehicles). In May 2026, USTR initiated a second four-year review.

Considerations for Congress

Congress may debate whether to maintain, limit, or expand the scope of the authority it has delegated under Section 301 or whether to urge or require the Administration to pursue additional investigations or otherwise modify or review its use of Section 301. Some Members in the 119th Congress have called on the Administration to utilize Section 301 to investigate foreign drug pricing or seafood practices. Other Members have introduced legislation to require notification to and review by Congress of tariffs imposed (e.g., H.R. 2665/S. 1272). The 119th Congress also could consider whether the broad use of Section 301 to simultaneously investigate dozens of U.S. trading partners and potentially impose a broad-based tariff regime is in line with the way Congress intended the authorities to be used. Congress also may consider the effectiveness of Section 301 actions in deterring certain foreign trade practices or the impact of tariff actions on the U.S. economy. For example, H.R. 2287 calls for a study by the Federal Reserve on the impact of tariffs on prices. The 117th Congress directed the U.S. International Trade Commission to study the impact on the U.S. economy of Section 301 tariffs in a joint explanatory statement accompanying P.L. 117-103. Previous congressional efforts related to Section 301 generally were focused on establishing a formal product exclusion process (e.g., 117th Cong., §73001 in S. 1260).

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