

# Temporary Global Tariffs and the July Deadline: Implications for U.S. Trade Enforcement



Cheon-Kee Lee

Ph.D., Research Fellow

Department of International Trade, Investment, and Economic Security

The Trump Administration's tariff strategy has entered a time-sensitive phase. After the Supreme Court ruling limited the use of emergency economic powers as a basis for broad tariff measures, the Administration turned to other statutory authorities to preserve tariff leverage. The most immediate instrument was a temporary global surcharge under Section 122 of the Trade Act of 1974. Section 122, however, permits an import surcharge of up to 15 percent for a period not exceeding 150 days unless extended by Congress. July 24, 2026, thus serves as an important statutory reference point for assessing how the Administration may seek to maintain tariff leverage after the temporary surcharge expires.

Temporary surcharge authority must either give way to another measure or leave a visible gap in the Administration's tariff strategy. For measures pursued through Section 301, for instance, USTR would need to develop a procedural and factual record sufficient to support both an actionable determination and the scope of the remedy within the remaining time.

\* The opinions, findings, conclusions, and recommendations expressed in this article are those of the author(s) and do not necessarily reflect the official policy or position of KIEP.

The relevant Section 301 proceedings are already underway. In March 2026, USTR initiated Section 301 investigations concerning two issues: structural excess capacity and production in manufacturing sectors, and the failure to impose and effectively enforce forced-labor import prohibitions. The comments, hearings, consultations, and evidence gathered through these investigations will shape whether USTR can support a Section 301 determination and provide a defensible basis for any resulting action. If that basis is established, the resulting action could take the form of a broad replacement measure or more limited measures tied to particular sectors, products, or regulatory practices.

From a procedural standpoint, USTR's Federal Register notices indicate that the March 2026 Section 301 investigations have moved quickly, but within the ordinary procedural sequence. The investigations were initiated in March 2026, written comments and hearing requests were due in April, and public hearings were held or scheduled in late April and early May. The notices do not indicate that USTR invoked the expeditious-action mechanism under 19 U.S.C. § 2414(b)(1)–(2), which allows USTR, where expeditious action is required, to defer certain pre-determination procedures—namely, the opportunity for interested persons to present views, including a requested public hearing, and the receipt of advice from the appropriate advisory committees—until after the Section 301 determination. Instead, USTR followed the ordinary procedural sequence by requesting written comments and hearing requests, holding or scheduling public hearings, and requesting consultations with the investigated governments.

With limited time remaining, USTR would have to rely largely on the comments, hearing record, consultations, and other evidence already developed in the investigations. Under 19 U.S.C. § 2414(a)(2)(B), USTR generally must make the relevant Section 301 determination within twelve months after initiating an investigation, but the statute does not prescribe a minimum investigation period before USTR may act or require a separate post-determination consultation before remedy selection. A pre-July 24 tariff measure is therefore legally possible, provided that USTR can support an actionable determination and select an appropriate remedy. It would still be administratively demanding, because tariffs would not take effect automatically; under 19 U.S.C. § 2415(a)(1), USTR generally must implement the selected action within 30 days after the determination, and would need to issue the necessary Federal Register notice, define product coverage or measure design, coordinate with U.S. Customs and Border Protection, and provide administrable instructions for importers.

This combination of procedural flexibility and implementation demands suggests two scenarios after the temporary global surcharge. In the first, USTR could pursue a comprehensive successor measure designed to replace the temporary surcharge and preserve tariff leverage

across a wide range of products or economies. Such a measure could reduce the appearance of a policy gap, but it would require USTR to complete the necessary administrative steps on a short timeline and to justify the factual findings, the connection between the alleged practices and burdens or restrictions on U.S. commerce, and the scope of the remedy across a wide range of affected interests. It could also increase legal and diplomatic friction if affected economies challenge the factual basis for the findings or the proportionality of the remedy.

In the second scenario, USTR could proceed with more limited or selective measures tied more closely to specific findings. This approach would be easier to support procedurally in the near term and would also fit the structure of the current investigations, which cover multiple economies, sectors, and regulatory practices and may not produce a uniform basis for a single across-the-board remedy. However, it would prolong uncertainty for trading partners because the scope of future measures could remain open beyond July 24.

The July 24 deadline may signal the beginning of a more fragmented and institutionalized phase of U.S. tariff policy. Tariff pressure may no longer be concentrated in a single emergency-based measure, but instead be reconstituted through multiple statutory tools, sector-specific investigations, and issue-based trade enforcement processes. Analysis of any subsequent U.S. tariff measures should therefore look beyond the continuation or expiration of the temporary surcharge and examine how legal basis, product coverage, and sectoral rationale may redistribute exposure across products, sectors, and supply chains. **KIEP**