## Congress of the United States

Washington, DC 20515

June 4, 2025

The Honorable Donald J. Trump President of the United States of America The White House Washington, DC 20500

## Dear President Trump:

We write to express our deep concern that your reckless and uncoordinated tariffs imposed on American allies and partners will have a destructive effect on the economy in our home state of Nevada. Targeted tariffs on our adversaries can be a useful tool to protect American jobs and support our national security; however, your blanket tariffs are the opposite of that. We urge you to reverse your approach and remove harmful tariffs that will only create uncertainty and higher costs for hardworking families and small businesses across Nevada.

On February 1, you announced the imposition of across-the-board tariffs on goods from Canada and Mexico, two of America's most important trading partners, and additional tariffs on China. On April 2, you announced your plans to shackle the American economy by imposing a 10 percent baseline tariff on all goods imported into the United States and even higher tariffs on dozens of other countries, including key American allies such as Israel, Ukraine, and the United Kingdom. Your administration has done all of this unilaterally without seeking the approval or consultation of Congress, which is at odds both with the constitutional separation of powers and the longstanding statutory interpretation of the International Emergency Economic Powers Act, the law you have dubiously used to impose your chaotic tariff regime.

It is impossible for American businesses and investors to plan their long-term investments, hire employees, and make other vital decisions while operating under the massive economic uncertainty created by your administration. Your actions are driving up costs and placing an extreme burden on workers and businesses. We have already begun to see the consequences of your policies in a cratering stock market and recent economic data from Q1 of 2025 showing the American economy shrunk for the first time in years.<sup>3</sup>

We are deeply concerned that in addition to thrusting the broader U.S. economy into a recession, your reckless tariff actions will specifically harm Nevada's key industries, sharply raise costs on its hardworking families, and threaten its small businesses.

We are especially concerned that your tariffs on two of our key trading partners, Mexico and Canada, will raise the prices of groceries, medicine, and new cars and will result in thousands of lost jobs. Nevadans buy more than \$3 billion in goods annually from Mexico and Canada. Your tariffs on Canada and Mexico are likely to cost Nevada households hundreds of dollars a year, if not more, 4 and reputable, non-partisan economists have

<sup>&</sup>lt;sup>1</sup> https://www.whitehouse.gov/fact-sheets/2025/02/fact-sheet-president-donald-j-trump-imposes-tariffs-on-imports-from-canada-mexico-and-china/.

 $<sup>^2\ \</sup>underline{\text{https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/.}$ 

<sup>&</sup>lt;sup>3</sup> https://www.bea.gov/news/2025/gross-domestic-product-1st-quarter-2025-advance-estimate.

<sup>&</sup>lt;sup>4</sup> https://www.piie.com/research/piie-charts/2025/trumps-tariffs-canada-mexico-and-china-would-cost-typical-us-household.

estimated the full suite of your tariffs will likely cost American households *thousands* of dollars.<sup>5</sup> This could entail significant price increases in the retail sector and in the food and beverage industry, which are both critical to the overall success of Nevada's service economy and heavily reliant on imports from Mexico and Canada. One estimate has shown that your administration's initial tariffs on Canada, Mexico, and China—even before you increased tariffs on China to 145 percent on April 9—would cause an effective increase of 153 percent in the cost of imported goods in Nevada and an annual economic impact to the state of \$985 million.<sup>6</sup>

Maintaining good relationships with America's allies is also critical for Nevada's tourism-dependent economy, which relies on international visitors. Nevada is one of the top five states most visited by international travelers, and the industry makes up nearly 16 percent of our state's economy, generating \$23.6 billion in total income. As of 2024, more than 300,000 Nevadans are employed by our tourism industry. The U.S. travel industry is already experiencing a noticeable decrease in room bookings, business travel, and recreational visits from both domestic and international travel. Travel experts have estimated the number of people arriving in the U.S. from abroad will decline by up to 9.4 percent in 2025. This fact is the direct consequence of your administration's imposition of tariffs on nations around the globe and bellicose rhetoric toward even our closest allies. Your administration's tariff actions are already undermining Nevada's tourism economy and, if not reversed, will have devastating impacts on the state's entire economy in the years ahead.

Nevada is also in the midst of a severe housing shortage after leading the country in population growth for 70 consecutive years between 1940 and 2010. Low-income households have fewer affordable housing options in Nevada than in nearly any other state and nearly half of all renters in Nevada spend an excessive portion of their income on housing. Experts project that approximately 470,000 new homes will need to be built to meet the housing needs of all Nevadans between 2020 and 2040, about 23,000 per year. To meet this urgent and significant need for an expanded housing supply, Nevada needs lower costs for crucial housing inputs, including aluminum, steel, lumber, gypsum, and other building materials.

Your administration's sweeping tariffs will instead raise the cost for these essential items, exacerbating Nevada's housing crisis by making it more expensive to build or purchase a home. Indeed, in a survey released last month, National Association of Homebuilders and the Wells Fargo Housing Market Index found that a majority of builders are *already* reporting that homebuilding material prices have increased by an average of 6.3 percent due to President Trump's tariffs. This translates to an estimated new cost of \$10,900 per home. 12

International trade supports Nevada's jobs and economic growth. It helps keep prices low for Nevada families and opens up new markets for our businesses, allowing them to reach customers around the world and compete on a global scale. That is why we believe U.S. trade policy must be thoughtfully implemented to strengthen our economic bonds with our allies, while strongly confronting adversaries like China.

<sup>&</sup>lt;sup>5</sup> https://budgetlab.yale.edu/research/state-us-tariffs-april-15-2025

<sup>&</sup>lt;sup>6</sup> https://www.axios.com/2025/03/04/trump-tariffs-impact-china-canada-mexico.

<sup>&</sup>lt;sup>7</sup> https://travelnevada.biz/tourism-means-more/.

<sup>&</sup>lt;sup>8</sup> https://www.travelweeklv.com/Travel-News/Government/U-S-Travel-sounds-industry-warning.

https://time.com/7273576/tourism-economics-travel-us-visitors-forecast-drop-trump-foreign-policy/.

<sup>&</sup>lt;sup>10</sup> https://www.guinncenter.org/research/housing-affordability-in-nevada-an-economic-analysis-and-policy-considerations.

<sup>&</sup>lt;sup>11</sup> https://digitalscholarship.unlv.edu/lincy\_policybriefs\_reports/15/.

<sup>&</sup>lt;sup>12</sup> https://www.nahb.org/news-and-economics/press-releases/2025/04/builder-confidence-levels-indicate-slow-start-for-spring-housing-season.

Your administration's implementation of blunt, widespread tariffs is just the opposite. It has only served to create chaos and uncertainty across the economy. Your tariffs are raising prices of everyday items for Nevada families and imposing higher costs on Nevada businesses including manufacturers, tourism, and other companies, stunting our state's previously booming economic growth. We urge your administration to reverse course and commit to working with Congress to modernize our trade policies to ensure they work in the best interest of Nevada and the United States.

Sincerely,

Catherine Cortez Masto United States Senator

Dina Titus

Member of Congress

Steven Horsford

Member of Congress

Jacky Rosen

**United States Senator** 

Susie Lee

Member of Congress