

March 31, 2025

The Honorable Scott Bessent
United States Secretary of the Treasury
United States Department of Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

The Honorable Howard Lutnick
Secretary of Commerce
United States Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

The Honorable Jamieson Greer
United States Trade Representative
Executive Office of the President of the United States
600 17th Street, NW
Washington, DC 20508

Dear Secretary Bessent, Secretary Lutnick, and Ambassador Greer:

On behalf of the Detroit Regional Chamber, the third-largest chamber of commerce in the nation, and MichAuto, Michigan's only statewide automotive and mobility association, we request your attention to pressing concerns from the automotive industry, the Michigan business community, and the working men and women in our state regarding expected tariff policies and urge the reconsideration of their implementation.

We applaud a key accomplishment of the first Trump administration to lead the development of the United States-Mexico-Canada Agreement (USMCA). This compact ensured stronger wage rules for American workers, more stringent intellectual property protections, and enhanced North American procurement requirements. USMCA strengthened the domestic automotive sector and provided an overdue reset of NAFTA-era trade imbalances between the United States and our North American partners.

Our organizations also concur with the Administration's desire to institute new requirements to protect the American automotive industry and its workforce, as well as enhance national security. Among these would be new measures to prevent Chinese-made vehicles – which pose economic and national security risks – from entering the American market. Additionally, new manufacturing and assembly requirements to promote critical mineral sourcing related to vehicle and battery production and increased content requirements would further bolster the domestic supply chain.

We stress that America's manufacturing industry – specifically automotive – has been built by America's most recognizable companies over a century across North America. A century of supply chains and relationships cannot be undone without tremendous economic harm to companies and workers if not done strategically and thoughtfully.

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Of course, we also agree that international commerce cannot – and should not – be conducted with disregard for violations of American sovereignty and the risk of illegal narcotics flowing into our nation – specifically from China and over America’s southern border. America’s Great Lakes region has suffered from the abuse of dangerous drugs, such as Fentanyl.

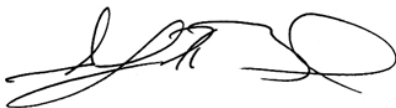
These factors considered, the Detroit Regional Chamber and MichAuto strongly urge the continued pause of tariffs on any USMCA-compliant automotive parts. Further, we advise against proceeding with tariffs on assembled vehicles from Canada and Mexico and parts that come from outside of North America. If the proposed 25% tariff on these imports and vehicles goes into effect on April 2, the increased costs would cause significant disruption throughout the supply chain and, perhaps most importantly, lead to *significant* price increases to the cost to American consumers for vehicles at a time when inflation continues to be a primary concern. These increased vehicle costs will be disproportionately borne by working-class and middle-class families.

In Michigan, where one in five jobs is automotive-related, the pain felt by working-class citizens will be profound. There are over 1,000 automotive suppliers based in Michigan, many of them *small and medium-sized businesses*, producing everything from powertrains to steering columns to windshield wipers and door handles. The balance sheets of these companies are far more fragile than the large manufacturers they supply, and the Michiganders who work for these companies rely on a steady, predictable supply of smaller parts and materials to build products used in the most popular American vehicles. In 2025, profit-sharing checks to workers at America’s original equipment manufacturers reached \$14,000. The tariff policies proposed will increase prices, drive down consumer demand, and therefore, lower the profitability of our companies, directly impacting the hard-working Americans who assemble the iconic vehicles we are known for.

The Detroit Regional Chamber and MichAuto believe that an ideal outcome is an accelerated renegotiation of the USMCA to further position America and our North American strategic partners as strong competitors to China and its violations of intellectual property, over capacity, and unfair trade practices.

Thank you for considering this perspective – one that is grounded in the day-to-day business of Michigan automotive companies and the workers that drive the state and serve as the epicenter of America’s most valuable supply chain: automotive. The Detroit Regional Chamber and MichAuto remain confident that, given a stable supply chain and predictable lines of sight on costs and materials, the American automotive industry will remain globally competitive while continuing to invest in domestic manufacturing and workers.

Sincerely,



Sandy K. Baruah
President and Chief Executive Officer,
Detroit Regional Chamber



Glenn Stevens Jr.
Executive Director,
MichAuto

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cc: The Honorable Gary Peters
The Honorable Elissa Slotkin
The Honorable Jack Bergman
The Honorable John Moolenaar
The Honorable Hillary Scholten
The Honorable Bill Huizenga
The Honorable Tim Walberg
The Honorable Debbie Dingell
The Honorable Tom Barrett
The Honorable Kristen McDonald Rivet
The Honorable Lisa McClain
The Honorable John James
The Honorable Haley Stevens
The Honorable Rashida Tlaib
The Honorable Shri Thanedar