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Industry Has Swift and Varied Reactions to Supreme Court Tariff Decision

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The industry reactions to the [Supreme Court's long-awaited decision](#) on President Donald [Trump](#)'s global tariff regime have been swift and varied.

Groups representing American fashion brands and retailers have been buoyed by the high court's ruling against the administration's International Emergency Economic Powers Act (IEEPA) duties, which they believe have impeded United States commerce by stifling imports from overseas. Meanwhile, American manufacturers and China hawk legislators have urged caution.

"Today's [Supreme Court](#) decision reaffirms that only Congress—through its Article I, Section 8 powers enumerated in the U.S. Constitution—has the authority to impose [tariffs](#)," said American Apparel and Footwear Association president and CEO Steve Lamar on Friday. "This is a bedrock principle that was present at the founding of our country and is no less important as we celebrate its 250th birthday. We thank the Justices for their careful and timely consideration of this highly complex case."

Matt Priest, president and CEO of the Footwear Distributors and Retailers of America said today's decision "marks an important step toward creating a more predictable and competitive environment for American businesses and consumers."

"By removing these widespread tariffs, the footwear industry can redirect billions of dollars toward innovation, job creation, and affordability for families across the country," he added. "[FDRA](#) has consistently advocated for policies that strengthen the U.S. economy and support working families. This ruling provides relief at a time when cost pressures have been significant, and it opens the door for continued collaboration between industry leaders and policymakers to ensure trade policy reflects today's global marketplace."

"The Supreme Court's announcement today regarding tariffs provides much-needed certainty for U.S. businesses and manufacturers, enabling global supply chains to operate without ambiguity," said National Retail Federation executive vice president of government relations David French. "Clear and consistent trade policy is essential for economic growth, creating jobs and opportunities for American families."

Calling the ruling "a tremendous victory for American consumers and American businesses," Julia Hughes, president of the U.S. Fashion Industry Association, said fashion brands and retailers already pay some of the highest tariffs on apparel and footwear.

“This is a positive step forward to improve affordability and remove the economic uncertainty that has held back many companies from making new investments,” she added.

But now that the decision has been made, one key issue remains at the forefront for the fashion sector: tariff refunds.

“We are confident in Customs and Border Protection’s (CBP’s) ability to move quickly and provide clear guidance to American businesses on how to obtain refunds for tariffs that were unlawfully collected,” Lamar said. “CBP’s recently modernized, fully electronic refund process should help to expedite this effort,” he added.

Hughes called upon the Trump Administration “to move quickly to develop an efficient and automatic refund process that returns tariff money to the businesses that have paid more than \$133 billion in IEEPA tariffs.”

“We urge the lower court to ensure a seamless process to refund the tariffs to U.S. importers. The refunds will serve as an economic boost and allow companies to reinvest in their operations, their employees and their customers,” French echoed.

Seamless seems a tall order, in the eyes of the Supreme Court, which noted in its Friday decision that the United States “may be required to refund billions of dollars to importers who paid the IEEPA tariffs, even though some importers may have already passed on costs to consumers or others.” Justices wrote that, as was acknowledged during oral arguments in November, “the refund process is likely to be a ‘mess.’”

There’s also the looming question of what comes next. Lamar and the [AAFA](#) are urging the administration to work with Congress and American business stakeholders when considering any future tariff actions.

“Now is the time to restore a predictable and dependable trade policy, compliant with the rule of law, that the apparel and footwear industry can rely on to temper the already heavy tariff burden facing our industry, U.S. manufacturers, and every hardworking American family that relies on our products,” he said.

“Predictable” and “dependable” are near-perfect antonyms to the administration’s tariff strategy thus far. With duty rates raised and lowered on a near-weekly basis for the better part of a year, confusion abounds about the current state of U.S. trade relationships and the future of trade policy.

The administration has [repeatedly touted its intention to re-impose tariffs](#) should the Supreme Court rule against IEEPA as a vehicle. As such, “This decision is unlikely to alter U.S. tariff rates or policies much because there are other statutes that could provide broad authority for Trump to impose tariffs,” Lori Wallach, director of the Rethink Trade program at the American Economic Liberties Project, believes.

“In the immediate term, Section 122 of the Trade Act of 1974 explicitly authorizes a president to impose tariffs up to 15 percent for up to 150 days on any and all countries related to ‘large and serious’ balance of payments issues, which relates to the huge chronic U.S. trade deficit. Section 122 does not require investigations or impose other procedural limits,” she said, naming one of the administration’s stated options.

Meanwhile, “The most open-ended potential source of presidential tariff authority, Section 338 of the Trade Act of 1930, allows a president to proclaim tariffs of up to 50 percent with no time limit on any countries that the president determines discriminate against U.S. trade or commerce by action or regulation.”

“The unbounded presidential tariff authority of Section 338 could trigger another round of court challenges, even if in contrast to IEEPA Section 338 explicitly authorizes tariffs. But like the IEEPA challenge that would take time to resolve,” Wallach added.

Rethink Trade data indicates that 88,000 American manufacturing jobs have evaporated since the president took the oath of office for the second time—and the trade deficit that he vowed to rebalance remains “stubbornly high,” Wallach said. The U.S. saw a \$901.5 billion gap between imports and exports in goods and services in 2025 (just 0.2 percent down from \$903.5 billion in 2024), according to data from the [Commerce Department’s Bureau of Economic Analysis](#) released Thursday.

The group also takes express issue with the lowering of duties on China, “a country with mercantilist trade practices that fuel the U.S. trade deficit.”

Congressman John Moolenaar (R-Mich.), chairman of the House Select Committee on China, underscored the anxieties felt by some American manufacturers.

“China continues to engage in predatory trade practices that hurt American workers, hollow out our manufacturing base, and threaten our national security. Tariffs on China level the playing field for Americans, and President Trump has demonstrated, since his first administration, that tariffs are one of the few meaningful tools in the U.S. economic security

toolkit for confronting China,” he said. “That’s why I led the first ever bipartisan effort to repeal China’s privileged trade status. Congress should quickly pass this legislation to put American workers first, rebuild our nation’s manufacturing capacity, and establish a consistent trade policy towards China.”

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