

**US Senator Maria Cantwell**

**Senate Finance Committee Hearing Titled, “The President’s Fiscal Year 2026 Budget for the Department of Treasury and Tax Reform”**

**June 12<sup>th</sup>, 2025**

**Senator Cantwell Q&A**

**[[AUDIO](#)] [[VIDEO](#)]**

**Sen. Cantwell:** Thank you. Mr. Chairman. Good to see you, Secretary Bessent. You know there was a-- The Wall Street Journal seems to be doing a daily editorial about the President's trade policy. Yesterday is, or maybe it's today, about the strategy or lack of strategy. So, I just wanted to see if I could get your thoughts on that in the sense of, do you believe in a rules-based trade regime?

**Bessent:** I believe that the international economic system has failed the American workers, Senator. And for too long, we have adhered to a system that does not work. And I believe in Einstein saying that doing the same thing again and again and expecting a different outcome is the very definition of insanity.

**Sen. Cantwell:** Okay, so I'm trying to get a philosophy here, but I think you just gave it to me. So, I guess you just gave it to me. I don't understand how we in the United States don't win without saying that we're going to have a rules-based system. I mean, part of how we win is we get more people on our side about the rules, and set the rules, and then make everybody adhere to them. So, if it's not rules-based, then it becomes more ad hoc in the process, and that's why I think it is troubling and hard to follow.

So I guess I don't need to ask more about multilaterals because -- I don't know. Do you think the administration believes in multilaterals?

**Bessent:** I believe that the -- we attempt to use multilaterals, but I believe that it has failed the American people. We have these gigantic trade deficits. There is something called the China Shock, and workers were left behind, and working Americans have suffered because of this.

So, Senator as an example, China, the second largest economy in the world in this multilateral system that you seem to like, is considered a developing country. Under what measure are they a developing country?

**Sen. Cantwell:** I personally believe in bilaterals, multilaterals, but I represent a very trade-dependent state, so I want to open more markets, and I also believe that the economy is way bigger outside the United States than inside the United States. So, I'm just trying to get what the philosophy is of the Administration.

But you've answered two questions, very helpful in that. Can I ask you a few more? One, I wanted to know whether the investment tax credit -- we have an investment tax credit that we made as part of the CHIPS and Science Act, that is the 48D Advanced Manufacturing Investment Credit, and these are important for us and our competitiveness. And do you believe that this 48D Tax Credit should be extended?

**Bessent:** I'm unfamiliar with that. I will get back to you, but I would note that I believe it's substantial, that it has not worked, that we --

**Sen. Cantwell:** It hasn't been in place very long. So, part of CHIPS and Science was, let's attract this sector -- in competition to what other countries were doing -- back to the United States. And so, there were investments that did that, but there was also a tax credit to help level the playing field against those other countries to make sure the United States was receiving that investment in the United States. So, if you could--

**Bessent:** I will get back to you. But I believe that that may have also included many bells and whistles that even Secretary Raimondo experienced or expressed great frustration in making this provision work.

**Sen. Cantwell:** On the 48D Tax Credit? I -- do you, gentlemen -- I think you're both supportive of it. I don't think that's right, is there---?

**Sen. Crapo:** This may be the one that Senator Wyden and I got in the bill.

**Sen. Cantwell:** Yes. Maybe we'll give the Secretary a little more familiarity, and you can come back.

**Bessent:** Well if you give me more familiarity. I may be conflating it with the CHIPS Act.

**Sen. Cantwell:** Yeah. Okay. TikTok: next week is [when] the 90 days are up, and clearly China is trying to make this part of the negotiation, but we would like the law to be enforced. We passed it. Where are we with meeting this deadline that was set next week? And how does this relate to the broader negotiations?

**Bessent:** I have no visibility into TikTok. I can tell you it was not discussed at the meetings in London.

**Sen. Cantwell:** Okay. So we will try to get some information from somebody else in the Administration about that. But next Friday, I think, is the deadline, and the Chinese seem to use it as some sort of -- so it's good to know that they didn't bring it up. Okay.

Thank you, Mr. Chairman.