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Footwear & Politics

By Thomas Crockett • Feb 12, 2026

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A few quick updates below on legislation to end first sale and a congressional vote on tariffs.

Senators introduce bill to end first sale

Senators Bill Cassidy (R-LA) and Sheldon Whitehouse (D-RI) introduced a bipartisan bill yesterday that would eliminate the decades-old first sale rule.

💬 **Tell me more**: The two senators describe first sale as a "customs loophole" that companies use to avoid tariffs by declaring an artificially low value for their imports. As Cassidy described, "In America, we celebrate hard work—not exploiting the system."

- First sale can come into play if a transaction involves an importer, middleman, and manufacturer. The first sale rule allows companies, under certain circumstances, to calculate customs duties based on the lower-priced "first sale" of the good instead of factoring in the middleman's markup.
- For calculating the value, the Cassidy/Whitehouse bill would shift the rule to the "last sale" before the good is imported into the U.S.
- **Go deeper**: Read Senator Cassidy's statement on the bill here and Senator Whitehouse's statement here.

✋ **One more thing**: White House trade advisor Peter Navarro voiced his support for the bill:

> "President Trump imposed historic tariffs to re-shore our industrial base and defend America's economic and national security. Yet sophisticated global supply chains — aided by K Street law firms openly marketing 'tariff mitigation' services — are exploiting the First Sale rule to artificially lower declared customs values and erode the effectiveness of those tariffs."

📣 **Get involved**: We'll have more to say about these developments on our next weekly call (Tuesday, February 17th) at 2:00 p.m. ET. Be sure to sign up below if you have not already (one-time signup for the rest of the year).

FDRA Member Weekly Call

House finally votes on tariffs

The House of Representatives voted Wednesday to block President Trump's tariffs on 🇨🇦 Canadian goods. Six Republicans joined the Democrats in this symbolic vote.

- **The Six Republicans**: Don Bacon (NE), Brian Fitzpatrick (PA), Kevin Kiley (CA), Jeff Hurd (CO), Thomas Massie (KY), and Dan Newhouse (WA).

❗ **What's next**: The bill heads to the Senate where it could pass … and then be vetoed by President Trump. The President posted, via Truth Social:

> Any Republican, in the House or the Senate, that votes against TARIFFS will seriously suffer the consequences come Election time, and that includes Primaries! Our Trade Deficit has been reduced by 78%, the Dow Jones has just hit 50,000, and the S&P, 7,000, all Numbers that were considered IMPOSSIBLE just one year ago. In addition, TARIFFS have given us Great National Security because the mere mention of the word has Countries agreeing to our strongest wishes. TARIFFS have given us Economic and National Security, and no Republican should be responsible for destroying this privilege.

✋ **One more thing**: Over the next few weeks, expect additional House votes on tariffs on 🇲🇽 Mexican goods, tariffs on 🇧🇷 Brazilian goods, and 🌏 reciprocal tariffs.

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Thanks for reading. We're available for any questions or comments you might have.

Matt and Thomas

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