

AMENDMENT TO RULES COMM. PRINT 119-33
OFFERED BY MR. MOOLENAAR OF MICHIGAN

At the end of subtitle B of title XVII of division A,
add the following:

1 **SEC. __. SENSE OF CONGRESS THAT THE PEOPLE'S REPUB-**
2 **LIC OF CHINA'S WORLD TRADE ORGANIZA-**
3 **TION ACCESSION HURT THE DEFENSE INDUS-**
4 **TRIAL BASE AND CRITICAL MILITARY SUP-**
5 **PLY CHAINS OF THE UNITED STATES.**

6 (a) FINDINGS.—Congress finds the following:

7 (1) The United States extended permanent nor-
8 mal trade relations status to the People's Republic
9 of China pursuant to the United States-China Rela-
10 tions Act of 2000 (Public Law 106-286) upon Chi-
11 na's accession to the World Trade Organization in
12 2001.

13 (2) The extension of permanent normal trade
14 relations status to the People's Republic of China
15 was premised on the expectation that China would
16 liberalize its economy, adhere to international trade
17 rules, and become a responsible stakeholder in the
18 rules-based international order.

1 (3) The People's Republic of China has system-
2 atically violated its World Trade Organization com-
3 mitments, engaged in forced technology transfer,
4 subsidized enterprises in contravention of its acces-
5 sion obligations, and pursued economic policies de-
6 signed to hollow out the manufacturing base of the
7 United States.

8 (4) The extension of permanent normal trade
9 relations status to the People's Republic of China,
10 and the associated grant of most-favored-nation tar-
11 iff treatment upon China's accession to the World
12 Trade Organization, enabled the rapid expansion of
13 low-cost manufacturing in China and contributed di-
14 rectly to the hollowing out of the defense industrial
15 base of the United States, the displacement of mil-
16 lions of workers in skilled trades contributing to our
17 country's defense industries, and the creation of crit-
18 ical military supply chain dependencies on China
19 that represent a material vulnerability to the na-
20 tional security and military readiness of the United
21 States.

22 (5) The United States has been compelled to
23 impose significant tariff measures on goods from the
24 People's Republic of China under section 301 of the
25 Trade Act of 1974 (19 U.S.C. 2411) in response to

1 China's unfair trade practices, such that China no
2 longer receives trade treatment equivalent to other
3 recipients of most-favored-nation tariff rates in prac-
4 tice.

5 (6) The designation of the People's Republic of
6 China as a permanent normal trade relations part-
7 ner no longer reflects the national security realities
8 of the bilateral relationship, and the continuation of
9 that designation poses ongoing risk to the integrity
10 of defense supply chains, the resilience of the de-
11 fense industrial base, and the ability of the United
12 States to sustain military operations in a contin-
13 gency or conflict in which the People's Republic of
14 China is an adversary.

15 (7) Nothing in this section shall be construed to
16 alter, modify, or affect any existing tariff rate, trade
17 remedy, presidential proclamation, or provision of
18 law governing the treatment of goods imported from
19 the People's Republic of China.

20 (b) SENSE OF CONGRESS.—It is the sense of Con-
21 gress that—

22 (1) the extension of permanent normal trade re-
23 lations status to the People's Republic of China has
24 had significant adverse consequences for the United
25 States defense industrial base, including the creation

1 of supply chain dependencies on Chinese-origin ma-
2 terials, components, and end products that represent
3 a vulnerability to supply disruption, economic coer-
4 cion, and deliberate degradation by the People's Re-
5 public of China in a national security emergency or
6 contingency operation;

7 (2) the designation of permanent normal trade
8 relations, as extended to the People's Republic of
9 China pursuant to Public Law 106-286, is incon-
10 sistent with the national security, economic security,
11 and foreign policy interests of the United States;

12 (3) Congress should consider legislation to re-
13 duce defense industrial base dependencies on the
14 People's Republic of China, including through
15 changes to procurement regulations, domestic pro-
16 duction incentives, allied and partner sourcing alter-
17 natives, and modification or revocation of the trade
18 status of the People's Republic of China consistent
19 with the constitutional authority of Congress over
20 trade and tariff policy; and

21 (4) nothing in this resolution shall be construed
22 to alter any applicable tariff rate, trade remedy
23 measure, or Presidential proclamation currently in
24 effect with respect to the People's Republic of China.

