AMENDMENT TO RULES COMM. PRINT 117–31
OFFERED BY MS. PORTER OF CALIFORNIA

At the appropriate place in division D, insert the following:

SEC. ___. REPORT ON OFFSETS IN DEFENSE TRADE.

(a) FINDINGS.—Congress finds the following:

(1) It is the stated policy of the United States that offsets in defense trade are economically inefficient and market distorting.

(2) Offsets in defense trade may nonetheless be a useful industrial and foreign policy tool for countering PRC influence in certain cases.

(3) It has been more than 25 years since the last comprehensive study of offsets in defense trade by the Comptroller General of the United States.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress an assessment United States offsets in defense trade, including—

(1) the accuracy of the Department of Commerce’s economic analysis of offsets and whether additional reporting requirements may be necessary to ensure accurate economic models;
(2) the utility of offsets in competition with the PRC;

(3) the manner and extent to which United States firms comply with existing offset reporting requirements;

(4) which countries require offsets as a condition of military sales, the justifications provided for such requirements, and whether certain countries are more or less successful in obtaining approval for offset-related sales;

(5) the impact of offsets on the United States defense industrial base and defense industry profits;

(6) the extent to which United States firms currently negotiate to minimize offsets in accordance with current United States policy; and

(7) ways in which oversight of offsets may be strengthened, including whether it may be appropriate to increase the amount of public information released by the Department of Commerce about offsets.