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2D SESSION

H. R. 8610

To withdraw normal trade relations treatment from, and apply certain provisions of title IV of the Trade Act of 1974 to, products of the People's Republic of China, and to expand the eligibility requirements for products of the People's Republic of China to receive normal trade relations treatment in the future, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2020

Mr. SMITH of New Jersey introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To withdraw normal trade relations treatment from, and apply certain provisions of title IV of the Trade Act of 1974 to, products of the People's Republic of China, and to expand the eligibility requirements for products of the People's Republic of China to receive normal trade relations treatment in the future, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “China Trade Relations
3 Act of 2020”.

4 **SEC. 2. WITHDRAWAL OF NORMAL TRADE RELATIONS**
5 **TREATMENT FROM THE PEOPLE’S REPUBLIC**
6 **OF CHINA.**

7 Notwithstanding the provisions of title I of Public
8 Law 106–286 (114 Stat. 880) or any other provision of
9 law, effective on the date of the enactment of this Act—

10 (1) normal trade relations treatment shall not
11 apply pursuant to section 101 of that Act to the
12 products of the People’s Republic of China;

13 (2) normal trade relations treatment may there-
14 after be extended to the products of the People’s Re-
15 public of China only in accordance with the provi-
16 sions of chapter 1 of title IV of the Trade Act of
17 1974 (19 U.S.C. 2431 et seq.), as in effect with re-
18 spect to the products of the People’s Republic of
19 China on the day before the effective date of the ac-
20 cession of the People’s Republic of China to the
21 World Trade Organization; and

22 (3) the extension of waiver authority that was
23 in effect with respect to the People’s Republic of
24 China under section 402(d)(1) of the Trade Act of
25 1974 (19 U.S.C. 2432(d)(1)) on the day before the
26 effective date of the accession of the People’s Repub-

1 lic of China to the World Trade Organization shall,
2 upon the enactment of this Act, be deemed not to
3 have expired, and shall continue in effect until the
4 date that is 90 days after the date of such enact-
5 ment.

6 **SEC. 3. EXPANSION OF BASES OF INELIGIBILITY OF PEO-**
7 **PLE’S REPUBLIC OF CHINA FOR NORMAL**
8 **TRADE RELATIONS.**

9 (a) IN GENERAL.—Section 402 of the Trade Act of
10 1974 (19 U.S.C. 2432) is amended—

11 (1) in the section heading, by striking “**FREE-**
12 **DOM OF EMIGRATION IN EAST-WEST TRADE**”
13 and inserting “**EAST-WEST TRADE AND HUMAN**
14 **RIGHTS**”; and

15 (2) by adding at the end the following:

16 “(f) **ADDITIONAL BASES OF INELIGIBILITY OF PEO-**
17 **PLE’S REPUBLIC OF CHINA FOR NORMAL TRADE RELA-**
18 **TIONS.**—

19 “(1) IN GENERAL.—Products from the People’s
20 Republic of China shall not be eligible to receive
21 nondiscriminatory treatment (normal trade rela-
22 tions), the People’s Republic of China shall not par-
23 ticipate in any program of the Government of the
24 United States which extends credits or credit guar-
25 antees or investment guarantees, directly or indi-

1 rectly, and the President shall not conclude any
2 commercial agreement with the People’s Republic of
3 China, during the period—

4 “(A) beginning with the date on which the
5 President determines that the People’s Republic
6 of China—

7 “(i) is in violation of paragraph (1),
8 (2), or (3) of subsection (a);

9 “(ii) uses or provides for the use of
10 slave labor;

11 “(iii) operates ‘vocational training and
12 education centers’ or other concentration
13 camps where people are held against their
14 will;

15 “(iv) performs or otherwise orders
16 forced abortion or sterilization procedures;

17 “(v) harvests the organs of prisoners
18 without their consent;

19 “(vi) hinders the free exercise of reli-
20 gion;

21 “(vii) intimidates or harasses nation-
22 als of the People’s Republic of China living
23 outside the People’s Republic of China; or

24 “(viii) engages in systematic economic
25 espionage against the United States, in-

1 cluding theft of the intellectual property of
2 United States persons; and

3 “(B) ending on the date on which the
4 President determines that the People’s Republic
5 of China is no longer in violation of any of
6 clauses (i) through (viii) of subparagraph (A).

7 “(2) REPORT REQUIRED.—

8 “(A) IN GENERAL.—After the date of the
9 enactment of this subsection, products of the
10 People’s Republic of China may be eligible to
11 receive nondiscriminatory treatment (normal
12 trade relations), the People’s Republic of China
13 may participate in any program of the Govern-
14 ment of the United States which extends credits
15 or credit guarantees or investment guarantees,
16 and the President may conclude a commercial
17 agreement with the People’s Republic of China,
18 only after the President has submitted to Con-
19 gress a report indicating that the People’s Re-
20 public of China is not in violation of any of
21 clauses (i) through (viii) of paragraph (1)(A).

22 “(B) ELEMENTS.—The report required by
23 subparagraph (A) shall include information as
24 to the nature and implementation of laws and
25 policies of the People’s Republic of China relat-

1 ing to the matters specified in clauses (i)
2 through (viii) of paragraph (1)(A).

3 “(C) DEADLINES.—The report required by
4 subparagraph (A) shall be submitted on or be-
5 fore each June 30 and December 31 of each
6 year for as long as products of the People’s Re-
7 public of China receive nondiscriminatory treat-
8 ment (normal trade relations), the People’s Re-
9 public of China participates in any program of
10 the Government of the United States which ex-
11 tends credits or credit guarantees or investment
12 guarantees, or a commercial agreement with the
13 People’s Republic of China is in effect.

14 “(3) WAIVER.—

15 “(A) IN GENERAL.—The President is au-
16 thorized to waive by Executive order the appli-
17 cation of paragraphs (1) and (2) for a 12-
18 month period if the President submits to Con-
19 gress a report that the President—

20 “(i) has determined that such waiver
21 will substantially promote the objectives of
22 this subsection; and

23 “(ii) has received assurances that the
24 practices of the People’s Republic of China
25 relating to the matters specified in clauses

1 (i) through (viii) of paragraph (1)(A) will
2 in the future lead substantially to the
3 achievement of the objectives of this sub-
4 section.

5 “(B) TERMINATION OF WAIVER.—A waiver
6 under subparagraph (A) shall terminate on the
7 earlier of—

8 “(i) the day after the waiver authority
9 granted by this paragraph ceases to be ef-
10 fective under paragraph (4); or

11 “(ii) the effective date of an Executive
12 order providing for termination of the
13 waiver.

14 “(4) EXTENSION OF WAIVER AUTHORITY.—

15 “(A) RECOMMENDATIONS.—If the Presi-
16 dent determines that the further extension of
17 the waiver authority granted under paragraph
18 (3) will substantially promote the objectives of
19 this subsection, the President may recommend
20 further extensions of such authority for succes-
21 sive 12-month periods. Any such recommenda-
22 tions shall—

23 “(i) be made not later than 30 days
24 before the expiration of such authority;

1 “(ii) be made in a document sub-
2 mitted to the House of Representatives
3 and the Senate setting forth the reasons of
4 the President for recommending the exten-
5 sion of such authority; and

6 “(iii) include—

7 “(I) a determination that con-
8 tinuation of the waiver will substan-
9 tially promote the objectives of this
10 subsection; and

11 “(II) a statement setting forth
12 the reasons of the President for such
13 determination.

14 “(B) CONTINUATION IN EFFECT OF WAIV-
15 ER.—If the President recommends under sub-
16 paragraph (A) the further extension of the
17 waiver authority granted under paragraph (3),
18 such authority shall continue in effect until the
19 end of the 12-month period following the end of
20 the previous 12-month extension, unless—

21 “(i) Congress adopts and transmits to
22 the President a joint resolution of dis-
23 approval under paragraph (5) before the
24 end of the 60-day period beginning on the
25 date the waiver authority would expire but

1 for an extension under subparagraph (A);
2 and

3 “(ii) if the President vetoes the joint
4 resolution, each House of Congress votes
5 to override the veto on or before the later
6 of—

7 “(I) the last day of the 60-day
8 period referred to in clause (i); or

9 “(II) the last day of the 15-day
10 period (excluding any day described in
11 section 154(b)) beginning on the date
12 on which Congress receives the veto
13 message from the President.

14 “(C) TERMINATION OF WAIVER PURSUANT
15 TO JOINT RESOLUTION OF DISAPPROVAL.—If a
16 joint resolution of disapproval is enacted into
17 law pursuant to paragraph (5), the waiver au-
18 thority granted under paragraph (3) shall cease
19 to be effective as of the day after the 60-day
20 period beginning on the date of the enactment
21 of the joint resolution.

22 “(5) JOINT RESOLUTION OF DISAPPROVAL.—

23 “(A) JOINT RESOLUTION OF DISAPPROVAL
24 DEFINED.—In this paragraph, the term ‘joint
25 resolution of disapproval’ means a joint resolu-

1 tion the matter after the resolving clause of
2 which is as follows: ‘That Congress does not ap-
3 prove the extension of the authority contained
4 in paragraph (3) of section 402(f) of the Trade
5 Act of 1974 with respect to the People’s Repub-
6 lic of China recommended by the President to
7 Congress under paragraph (4) of that section
8 on _____.’, with the blank space being filled
9 with the appropriate date.

10 “(B) PROCEDURES IN HOUSE AND SEN-
11 ATE.—The provisions of subsections (b)
12 through (f) of section 152 shall apply with re-
13 spect to a joint resolution of approval to the
14 same extent and in the same manner as such
15 provisions apply with respect to a resolution de-
16 scribed in subsection (a) of that section, except
17 that subsection (e)(2) of that section shall be
18 applied and administered by substituting ‘Con-
19 sideration’ for ‘Debate’.

20 “(C) RULES OF THE HOUSE OF REP-
21 RESENTATIVES AND SENATE.—This paragraph
22 is enacted by Congress—

23 “(i) as an exercise of the rulemaking
24 power of the House of Representatives and
25 the Senate, respectively, and as such is

1 deemed a part of the rules of each House,
2 respectively, and supersedes other rules
3 only to the extent that it is inconsistent
4 with such other rules; and

5 “(ii) with full recognition of the con-
6 stitutional right of either House to change
7 the rules (so far as relating to the proce-
8 dure of that House) at any time, in the
9 same manner and to the same extent as in
10 the case of any other rule of that House.”.

11 (b) CLERICAL AMENDMENT.—The table of contents
12 for the Trade Act of 1974 is amended by striking the item
13 relating to section 402 and inserting the following:

“Sec. 402. East-West trade and human rights.”.

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