

(Original Signature of Member)

#### 117th CONGRESS 2D Session

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.

**H. R.**7193

## IN THE HOUSE OF REPRESENTATIVES

Mr. SMITH of New Jersey introduced the following bill; which was referred to the Committee on \_\_\_\_\_

# 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 Relations3 Act of 2022".

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

Notwithstanding the provisions of title I of Public
Law 106–286 (114 Stat. 880) or any other provision of
law, effective on the date of the enactment of this Act—
(1) normal trade relations treatment shall not
apply pursuant to section 101 of that Act to the
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

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

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have expired, and shall continue in effect until the
date that is 90 days after the date of such enactment.

6 SEC. 3. EXPANSION OF BASES OF INELIGIBILITY OF PEO7 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—

(1) in the section heading, by striking "FREEDOM OF EMIGRATION IN EAST-WEST TRADE"
and inserting "EAST-WEST TRADE AND HUMAN
RIGHTS"; and

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

16 "(f) Additional Bases of Ineligibility of Peo17 PLE'S REPUBLIC OF CHINA FOR NORMAL TRADE RELA18 TIONS.—

"(1) IN GENERAL.—Products from the People's
Republic of China shall not be eligible to receive
nondiscriminatory treatment (normal trade relations), the People's Republic of China shall not participate in any program of the Government of the
United States which extends credits or credit guarantees or investment guarantees, directly or indi-

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| 1  | rectly, and the President shall not conclude any   |
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| 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) has not substantially promoted               |
| 10 | the freedom of emigration objectives of this       |
| 11 | section;   |
| 12 | "(iii) has not complied with the                   |
| 13 | China-United States Memorandum of Un-              |
| 14 | derstanding on Prohibiting Import and Ex-          |
| 15 | port Trade in Prison Labor Products, done          |
| 16 | at Washington, D.C. on August 7, 1992;             |
| 17 | "(iv) has not complied with Inter-                 |
| 18 | national Labour Organization standards;            |
| 19 | "(v) operates 'vocational training and             |
| 20 | education centers' or other concentration          |
| 21 | camps where people are held against their          |
| 22 | will;  |
| 23 | "(vi) intimidates or harasses nationals            |
| 24 | of the People's Republic of China living           |
| 25 | outside the People's Republic of China;            |

| 1  | "(vii) fails to protect Tibet's distinc-      |
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| 2  | tive religious and cultural heritage;         |
| 3  | "(viii) engages in systematic economic        |
| 4  | espionage against the United States, in-      |
| 5  | cluding theft of the intellectual property of |
| 6  | United States persons;                        |
| 7  | "(ix) has not made significant                |
| 8  | progress on—                                  |
| 9  | "(I) taking steps to begin adher-             |
| 10 | ing to the Universal Declaration of           |
| 11 | Human Rights;                                 |
| 12 | "(II) eliminating the use of tor-             |
| 13 | ture;   |
| 14 | "(III) releasing and providing an             |
| 15 | acceptable accounting for Chinese citi-       |
| 16 | zens imprisoned or detained for the           |
| 17 | non-violent expression of their polit-        |
| 18 | ical and religious beliefs, including         |
| 19 | such expression of beliefs in connec-         |
| 20 | tion with the independence of Hong            |
| 21 | Kong and Taiwan;                              |
| 22 | "(IV) ensuring humane treat-                  |
| 23 | ment of prisoners, such as by allowing        |
| 24 | access to prisons by international hu-        |

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| 1  | manitarian and human rights organi-             |
| 2  | zations;  |
| 3  | "(V) permitting international                   |
| 4  | radio and television broadcasts into            |
| 5  | China;  |
| 6  | "(VI) humanely treating pris-                   |
| 7  | oners;  |
| 8  | "(VII) allowing access to inter-                |
| 9  | national humanitarian and human                 |
| 10 | rights organizations;                           |
| 11 | "(VIII) ceasing harvesting the                  |
| 12 | organs of prisoners without their con-          |
| 13 | sent; or  |
| 14 | "(IX) ceasing performing and                    |
| 15 | otherwise ordering forced abortion or           |
| 16 | sterilization procedures; and                   |
| 17 | "(B) ending on the date on which the            |
| 18 | President determines that the People's Republic |
| 19 | of China is no longer in violation of any of    |
| 20 | clauses (i) through (ix) of subparagraph (A).   |
| 21 | "(2) Report required.—                          |
| 22 | "(A) IN GENERAL.—After the date of the          |
| 23 | enactment of this subsection, products of the   |
| 24 | People's Republic of China may be eligible to   |
| 25 | receive nondiscriminatory treatment (normal     |
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1 trade relations), the People's Republic of China 2 may participate in any program of the Government of the United States which extends credits 3 4 or credit guarantees or investment guarantees, 5 and the President may conclude a commercial 6 agreement with the People's Republic of China, 7 only after the President has submitted to Con-8 gress a report indicating that the People's Re-9 public of China is not in violation of any of 10 clauses (i) through (ix) of paragraph (1)(A). 11 "(B) ELEMENTS.—The report required by 12 subparagraph (A) shall include information as 13 to the nature and implementation of laws and 14 policies of the People's Republic of China relat-15 ing to the matters specified in clauses (i) 16 through (ix) of paragraph (1)(A). "(C) DEADLINES.—The report required by 17 18 subparagraph (A) shall be submitted on or be-19 fore each June 30 and December 31 of each 20 year for as long as products of the People's Re-21 public of China receive nondiscriminatory treat-22 ment (normal trade relations), the People's Re-23 public of China participates in any program of 24 the Government of the United States which ex-25 tends credits or credit guarantees or investment

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| 1  | guarantees, or a commercial agreement with the  |
| 2  | People's Republic of China is in effect.        |
| 3  | "(3) WAIVER.—                                   |
| 4  | "(A) IN GENERAL.—The President is au-           |
| 5  | thorized to waive by Executive order the appli- |
| 6  | cation of paragraphs $(1)$ and $(2)$ for a 12-  |
| 7  | month period if the President submits to Con-   |
| 8  | gress a report that the President—              |
| 9  | "(i) has determined that such waiver            |
| 10 | will substantially promote the objectives of    |
| 11 | this subsection; and                            |
| 12 | "(ii) has received assurances that the          |
| 13 | practices of the People's Republic of China     |
| 14 | relating to the matters specified in clauses    |
| 15 | (i) through (ix) of paragraph (1)(A) will in    |
| 16 | the future lead substantially to the achieve-   |
| 17 | ment of the objectives of this subsection.      |
| 18 | "(B) TERMINATION OF WAIVER.—A waiver            |
| 19 | under subparagraph (A) shall terminate on the   |
| 20 | earlier of—                                     |
| 21 | "(i) the day after the waiver authority         |
| 22 | granted by this paragraph ceases to be ef-      |
| 23 | fective under paragraph (4); or                 |

| 1  | "(ii) the effective date of an Executive         |
|----|--|
| 2  | order providing for termination of the           |
| 3  | waiver.  |
| 4  | "(4) EXTENSION OF WAIVER AUTHORITY.—             |
| 5  | "(A) Recommendations.—If the Presi-              |
| 6  | dent determines that the further extension of    |
| 7  | the waiver authority granted under paragraph     |
| 8  | (3) will substantially promote the objectives of |
| 9  | this subsection, the President may recommend     |
| 10 | further extensions of such authority for succes- |
| 11 | sive 12-month periods. Any such recommenda-      |
| 12 | tions shall—                                     |
| 13 | "(i) be made not later than 30 days              |
| 14 | before the expiration of such authority;         |
| 15 | "(ii) be made in a document sub-                 |
| 16 | mitted to the House of Representatives           |
| 17 | and the Senate setting forth the reasons of      |
| 18 | the President for recommending the exten-        |
| 19 | sion of such authority; and                      |
| 20 | "(iii) include—                                  |
| 21 | "(I) a determination that con-                   |
| 22 | tinuation of the waiver will substan-            |
| 23 | tially promote the objectives of this            |
| 24 | subsection; and                                  |

| <ul><li>"(II) a statement setting forth<br/>the reasons of the President for such<br/>determination.</li><li>"(B) CONTINUATION IN EFFECT OF WAIV-</li></ul> |
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| determination.  |
|   |
| "(B) Continuation in effect of waiv-  |
|   |
| ER.—If the President recommends under sub-  |
| paragraph (A) the further extension of the  |
| waiver authority granted under paragraph (3),   |
| such authority shall continue in effect until the   |
| end of the 12-month period following the end of   |
| the previous 12-month extension, unless—  |
| "(i) Congress adopts and transmits to   |
| the President a joint resolution of dis-  |
| approval under paragraph (5) before the   |
| end of the 60-day period beginning on the   |
| date the waiver authority would expire but  |
| for an extension under subparagraph (A);  |
| and   |
| "(ii) if the President vetoes the joint   |
| resolution, each House of Congress votes  |
| to override the veto on or before the later   |
| of—   |
| "(I) the last day of the 60-day   |
| period referred to in clause (i); or  |
| "(II) the last day of the 15-day  |
| period (excluding any day described in  |
|   |

1 section 154(b)) beginning on the date 2 on which Congress receives the veto 3 message from the President. "(C) TERMINATION OF WAIVER PURSUANT 4 5 TO JOINT RESOLUTION OF DISAPPROVAL.-If a 6 joint resolution of disapproval is enacted into 7 law pursuant to paragraph (5), the waiver au-8 thority granted under paragraph (3) shall cease 9 to be effective as of the day after the 60-day 10 period beginning on the date of the enactment 11 of the joint resolution.

### 12 "(5) JOINT RESOLUTION OF DISAPPROVAL.—

13 "(A) JOINT RESOLUTION OF DISAPPROVAL 14 DEFINED.—In this paragraph, the term 'joint 15 resolution of disapproval' means a joint resolution the matter after the resolving clause of 16 17 which is as follows: 'That Congress does not ap-18 prove the extension of the authority contained 19 in paragraph (3) of section 402(f) of the Trade 20 Act of 1974 with respect to the People's Repub-21 lic of China recommended by the President to 22 Congress under paragraph (4) of that section on \_\_\_\_\_.', with the blank space being filled 23 24 with the appropriate date.

| 1        | "(B) PROCEDURES IN HOUSE AND SEN-                 |
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| 2        | ATE.—The provisions of subsections (b)            |
| 3        | through (f) of section 152 shall apply with re-   |
| 4        | spect to a joint resolution of approval to the    |
| 5        | same extent and in the same manner as such        |
| 6        | provisions apply with respect to a resolution de- |
| 7        | scribed in subsection (a) of that section, except |
| 8        | that subsection $(e)(2)$ of that section shall be |
| 9        | applied and administered by substituting 'Con-    |
| 10       | sideration' for 'Debate'.                         |
| 11       | "(C) Rules of the house of rep-                   |
| 12       | RESENTATIVES AND SENATE.—This paragraph           |
| 13       | is enacted by Congress—                           |
| 14       | "(i) as an exercise of the rulemaking             |
| 15       | power of the House of Representatives and         |
| 16       | the Senate, respectively, and as such is          |
| 17       | deemed a part of the rules of each House,         |
| 18       | respectively, and supersedes other rules          |
| 19       | only to the extent that it is inconsistent        |
| 20       | with such other rules; and                        |
| 21       | "(ii) with full recognition of the con-           |
|          | ()  |
| 22       | stitutional right of either House to change       |
| 22<br>23 |   |

same manner and to the same extent as in
 the case of any other rule of that House.".
 (b) CLERICAL AMENDMENT.—The table of contents
 for the Trade Act of 1974 is amended by striking the item
 relating to section 402 and inserting the following:

"Sec. 402. East-West trade and human rights.".