

105TH CONGRESS  
1ST SESSION

# H. R. 1712

To encourage the People's Republic of China to join the World Trade Organization by removing China from title IV of the Trade Act of 1974 upon its accession to the World Trade Organization and to provide a more effective remedy for inadequate trade benefits extended by the People's Republic of China to the United States.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 22, 1997

Mr. BEREUTER (for himself and Mr. EWING) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To encourage the People's Republic of China to join the World Trade Organization by removing China from title IV of the Trade Act of 1974 upon its accession to the World Trade Organization and to provide a more effective remedy for inadequate trade benefits extended by the People's Republic of China to the United States.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "China Market Access  
5 and Export Opportunities Act of 1997".

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1 **SEC. 2. STATEMENT OF PURPOSE.**

2 It is the purpose of this Act—

3 (1) to authorize the President of the United  
4 States to raise tariffs on imports from the People's  
5 Republic of China to tariff levels in effect on Decem-  
6 ber 31, 1994, if the President determines, 6 months  
7 after the date of the enactment of this Act, that the  
8 People's Republic of China is either denying ade-  
9 quate trade benefits to the United States or not tak-  
10 ing steps to become a full member of the World  
11 Trade Organization;

12 (2) to provide a significant incentive for the  
13 People's Republic of China to gain admission to the  
14 World Trade Organization by eliminating the annual  
15 review of China's trade status after it commits to a  
16 commercially acceptable protocol and is admitted to  
17 the World Trade Organization; and

18 (3) therefore to enhance the ability of the Presi-  
19 dent of the United States to negotiate a commer-  
20 cially acceptable World Trade Organization protocol  
21 with the People's Republic of China.

22 **SEC. 3. SNAP-BACK MECHANISM.**

23 (a) DETERMINATION WITH RESPECT TO THE PEO-  
24 PLE'S REPUBLIC OF CHINA.—After the enactment of this  
25 Act, the President shall, after consulting with the appro-

1 p r i a t e c o n g r e s s i o n a l c o m m i t t e e s , d e t e r m i n e w h e t h e r o r n o t  
2 t h e P e o p l e ' s R e p u b l i c o f C h i n a i s —

3 ( 1 ) a c c o r d i n g a d e q u a t e t r a d e b e n e f i t s t o t h e  
4 U n i t e d S t a t e s , i n c l u d i n g s u b s t a n t i a l l y e q u a l c o m p e t i -  
5 t i v e o p p o r t u n i t i e s f o r t h e c o m m e r c e o f t h e U n i t e d  
6 S t a t e s ; a n d

7 ( 2 ) t a k i n g a d e q u a t e s t e p s o r m a k i n g s i g n i f i c a n t  
8 p r o p o s a l s t o b e c o m e a W T O m e m b e r .

9 ( b ) S U B M I S S I O N O F F I N D I N G S . — N o t l a t e r t h a n 1 8 0  
10 d a y s a f t e r t h e d a t e o f t h e e n a c t m e n t o f t h i s A c t , t h e P r e s i -  
11 d e n t s h a l l s u b m i t t o t h e a p p r o p r i a t e c o n g r e s s i o n a l c o m -  
12 m i t t e e s a r e p o r t s e t t i n g f o r t h h i s d e t e r m i n a t i o n s u n d e r  
13 p a r a g r a p h s ( 1 ) a n d ( 2 ) o f s u b s e c t i o n ( a ) , w i t h a r a t i o n a l e  
14 f o r e a c h d e t e r m i n a t i o n .

15 ( c ) T A R I F F I N C R E A S E . —

16 ( 1 ) I M P O S I T I O N O F I N C R E A S E . — I f t h e P r e s i -  
17 d e n t d e t e r m i n e s e i t h e r —

18 ( A ) u n d e r p a r a g r a p h ( 1 ) o f s u b s e c t i o n ( a )  
19 t h a t t h e P e o p l e ' s R e p u b l i c o f C h i n a i s n o t a c -  
20 c o r d i n g a d e q u a t e t r a d e b e n e f i t s t o t h e U n i t e d  
21 S t a t e s , o r

22 ( B ) u n d e r p a r a g r a p h ( 2 ) o f s u b s e c t i o n ( a )  
23 t h a t t h e P e o p l e ' s R e p u b l i c o f C h i n a i s n o t t a k -  
24 i n g a d e q u a t e s t e p s o r m a k i n g s i g n i f i c a n t p r o -  
25 p o s a l s t o b e c o m e a W T O m e m b e r ,

1 then the President shall proclaim, within 180 days  
2 after the date of that determination, an increase in  
3 the rate of duty with respect to 1 or more products  
4 of that country to not more than the column 1 rate  
5 of duty under the Harmonized Tariff Schedule of  
6 the United States that applied to the article or arti-  
7 cles on December 31, 1994.

8 (2) TERMINATION OF INCREASE.—The Presi-  
9 dent shall terminate any increase in the rate of duty  
10 imposed under paragraph (1) on the earlier of—

11 (A) the date on which the People’s Repub-  
12 lic of China becomes a WTO member; or

13 (B) the date on which the President pro-  
14 claims that—

15 (i) the People’s Republic of China is  
16 according adequate trade benefits to the  
17 United States, including substantially  
18 equal competitive opportunities for the  
19 commerce of the United States; and

20 (ii) the People’s Republic of China is  
21 taking adequate steps or making signifi-  
22 cant proposals to become a WTO member.

23 (3) MODIFICATION OF TARIFF.—The President  
24 may modify any increase in the rate of duty imposed  
25 under paragraph (1) if the President notifies the ap-

1       appropriate congressional committees of the modifica-  
2       tion and the reasons therefor, except that—

3               (A) the modification may not result in a  
4               rate of duty higher than that permitted under  
5               paragraph (1); and

6               (B) the authority of this paragraph may  
7               not be used to terminate an increase in the rate  
8               of duty imposed under paragraph (1).

9       **SEC. 4. ACCESSION TO THE WORLD TRADE ORGANIZATION.**

10       On the date on which the People’s Republic of China  
11       becomes a WTO member, the provisions of title IV of the  
12       Trade Act of 1974 shall cease to apply to that country,  
13       and nondiscriminatory treatment shall apply to the prod-  
14       ucts of that country.

15       **SEC. 5. DEFINITION.**

16       As used in this Act, the term “WTO member” has  
17       the meaning given that term in section 2(10) of the Uru-  
18       guay Round Agreements Act (19 U.S.C. 3501(10)).

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