

116TH CONGRESS  
2D SESSION

# S. 4609

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 SENATE OF THE UNITED STATES

SEPTEMBER 17, 2020

Mr. COTTON introduced the following bill; which was read twice and referred to the Committee on Finance

---

## 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “China Trade Relations  
5 Act of 2020”.

1 **SEC. 2. WITHDRAWAL OF NORMAL TRADE RELATIONS**  
2 **TREATMENT FROM THE PEOPLE'S REPUBLIC**  
3 **OF CHINA.**

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

7 (1) normal trade relations treatment shall not  
8 apply pursuant to section 101 of that Act to the  
9 products of the People's Republic of China;

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

19 (3) the extension of waiver authority that was  
20 in effect with respect to the People's Republic of  
21 China under section 402(d)(1) of the Trade Act of  
22 1974 (19 U.S.C. 2432(d)(1)) on the day before the  
23 effective date of the accession of the People's Repub-  
24 lic of China to the World Trade Organization shall,  
25 upon the enactment of this Act, be deemed not to  
26 have expired, and shall continue in effect until the

1 date that is 90 days after the date of such enact-  
2 ment.

3 **SEC. 3. EXPANSION OF BASES OF INELIGIBILITY OF PEO-**  
4 **PLE'S REPUBLIC OF CHINA FOR NORMAL**  
5 **TRADE RELATIONS.**

6 (a) IN GENERAL.—Section 402 of the Trade Act of  
7 1974 (19 U.S.C. 2432) is amended—

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

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

13 “(f) **ADDITIONAL BASES OF INELIGIBILITY OF PEO-**  
14 **PLE'S REPUBLIC OF CHINA FOR NORMAL TRADE RELA-**  
15 **TIONS.**—

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

1           “(A) beginning with the date on which the  
2           President determines that the People’s Republic  
3           of China—

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

6                   “(ii) uses or provides for the use of  
7                   slave labor;

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

12                  “(iv) performs or otherwise orders  
13                  forced abortion or sterilization procedures;

14                  “(v) harvests the organs of prisoners  
15                  without their consent;

16                  “(vi) hinders the free exercise of reli-  
17                  gion;

18                  “(vii) intimidates or harasses nation-  
19                  als of the People’s Republic of China living  
20                  outside the People’s Republic of China; or

21                  “(viii) engages in systematic economic  
22                  espionage against the United States, in-  
23                  cluding theft of the intellectual property of  
24                  United States persons; and

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

5           “(2) REPORT REQUIRED.—

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

20          “(B) ELEMENTS.—The report required by  
21          subparagraph (A) shall include information as  
22          to the nature and implementation of laws and  
23          policies of the People’s Republic of China relat-  
24          ing to the matters specified in clauses (i)  
25          through (viii) of paragraph (1)(A).

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

12          “(3) WAIVER.—

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

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

21                         “(ii) has received assurances that the  
22                         practices of the People’s Republic of China  
23                         relating to the matters specified in clauses  
24                         (i) through (viii) of paragraph (1)(A) will  
25                         in the future lead substantially to the

1 achievement of the objectives of this sub-  
2 section.

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

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

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

12 “(4) EXTENSION OF WAIVER AUTHORITY.—

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

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

23 “(ii) be made in a document sub-  
24 mitted to the House of Representatives  
25 and the Senate setting forth the reasons of

1 the President for recommending the exten-  
2 sion of such authority; and

3 “(iii) include—

4 “(I) a determination that con-  
5 tinuation of the waiver will substan-  
6 tially promote the objectives of this  
7 subsection; and

8 “(II) a statement setting forth  
9 the reasons of the President for such  
10 determination.

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

18 “(i) Congress adopts and transmits to  
19 the President a joint resolution of dis-  
20 approval under paragraph (5) before the  
21 end of the 60-day period beginning on the  
22 date the waiver authority would expire but  
23 for an extension under subparagraph (A);  
24 and



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

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

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

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

20           “(5) JOINT RESOLUTION OF DISAPPROVAL.—

21                   “(A) JOINT RESOLUTION OF DISAPPROVAL  
22 DEFINED.—In this paragraph, the term ‘joint  
23 resolution of disapproval’ means a joint resolu-  
24 tion the matter after the resolving clause of  
25 which is as follows: ‘That Congress does not ap-

1           prove the extension of the authority contained  
2           in paragraph (3) of section 402(f) of the Trade  
3           Act of 1974 with respect to the People’s Repub-  
4           lic of China recommended by the President to  
5           Congress under paragraph (4) of that section  
6           on \_\_\_\_\_.’, with the blank space being filled  
7           with the appropriate date.

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

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

21                 “(i) as an exercise of the rulemaking  
22                 power of the House of Representatives and  
23                 the Senate, respectively, and as such is  
24                 deemed a part of the rules of each House,  
25                 respectively, and supersedes other rules

1                   only to the extent that it is inconsistent  
2                   with such other rules; and

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

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

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

○