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(Original Signature of Member)

114TH CONGRESS
2D SESSION

H. RES. ______

Calling for the maintenance of effective trade remedies for United States manufacturers and producers by ensuring that any foreign country designated as a nonmarket economy country under the Tariff Act of 1930 retain this status until it demonstrates that it meets all of the criteria for treatment as a market economy set forth in section 771(18)(B) of such Act.

IN THE HOUSE OF REPRESENTATIVES

Mr. MURPHY of Pennsylvania submitted the following resolution; which was referred to the Committee on ______________________________

RESOLUTION

Calling for the maintenance of effective trade remedies for United States manufacturers and producers by ensuring that any foreign country designated as a nonmarket economy country under the Tariff Act of 1930 retain this status until it demonstrates that it meets all of the criteria for treatment as a market economy set forth in section 771(18)(B) of such Act.

Whereas fair international competition and a level playing field are essential for the global competitiveness of United States manufacturers, farmers, workers, and communities;

Whereas effective and predictable trade enforcement mechanisms must include the assessment of and effective response to distortions in nonmarket economies, which risk endangering United States jobs and the Nation's economic security;

Whereas a nonmarket economy country for purposes of the United States antidumping law is defined in section 771(18)(A) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(A)) as "any foreign country that the administering authority determines does not operate on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise";

Whereas a foreign country's pursuit of economic reforms, including the removal or withdrawal of some state controls, is not a sufficient basis for revocation of nonmarket economy status if its economy as a whole fails to meet the criteria for treatment as a market economy country set forth in section 771(18)(B) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(B));

Whereas Congress has provided the above-referenced criteria to determine whether market forces in a foreign country are sufficiently developed to permit the use of prices and costs in that country for purposes of the Department of Commerce's antidumping analysis;

Whereas the governments of some United States trading partners continue to play a substantial and direct role in many critical aspects of their domestic economies, including the financial system, upstream resource and energy sectors, and through ownership and control of many strategic industries;

Whereas the governments of some United States trading partners at the central, provincial, and local levels continue to subsidize production of key commodities such as aluminum, cement, cotton, synthetic fiber, PET resin, specialty chemicals, iron, and steel; and

Whereas subsidies and other market-distorting government policies hurt United States businesses and workers by encouraging and supporting excess production and exports onto world markets that result in significant price suppression, price depression, or lost sales: Now, therefore be it

Resolved, That the House of Representatives—

(1) calls on the President to provide for the full and effective application of United States antidumping and countervailing duty laws against nonmarket economy countries;

(2) calls on the President to retain the status of any country currently designated as a nonmarket economy country until it demonstrates that it meets all of the criteria for treatment as a market economy set forth in section 771(18)(B) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(B));

(3) calls on nonmarket economy countries to eliminate all direct and indirect subsidies and other market-distorting government policies benefitting the production and export of goods to the United States; and

(4) calls on nonmarket economy countries to enter into binding and enforceable agreements for removing excess production capacity and withdrawing state intervention in and control over their economies.