

RESOLUTION OF INQUIRY REQUESTING THE PRESIDENT TO TRANSMIT TO THE HOUSE OF REPRESENTATIVES CERTAIN DOCUMENTS IN THE POSSESSION OF THE PRESIDENT RELATING TO THE DETERMINATION TO IMPOSE CERTAIN TARIFFS AND TO THE STRATEGY OF THE UNITED STATES WITH RESPECT TO CHINA

SEPTEMBER 26, 2018.—Referred to the House Calendar and ordered to be printed

Mr. BRADY of Texas, from the Committee on Ways and Means, submitted the following

R E P O R T

[To accompany H. Res. 1018]

The Committee on Ways and Means, to whom was referred the resolution (H. Res. 1018) requesting the President to transmit to the House of Representatives certain documents in the possession of the President relating to the determination to impose certain tariffs and to the strategy of the United States with respect to China, having considered the same, report thereon without amendment and without recommendation.

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## I. SUMMARY AND BACKGROUND

### A. PURPOSE AND SUMMARY

H. Res. 1018 requests that the President transmit to the House of Representatives certain documents in the possession of the President relating to the determination to impose certain tariffs and to the strategy of the United States with respect to China.

### B. BACKGROUND

The Committee notes that there is strong bipartisan agreement in Congress that China's unfair trade practices significantly harm U.S. farmers, workers, and businesses, and that strong action is needed to hold China accountable and level the playing field. USTR's Section 301 Report earlier this year compiled compelling evidence of China's unfair practices, inequitable treatment of U.S. companies, outright theft related to intellectual property, forced technology transfers, and unfair licensing policies. President Trump is right to insist that these abuses must stop.

China cheats on trade, and there is a real cost in terms of U.S. jobs. The necessary resolution is long-term, enduring reform to China's trade and investment policies, including changes to Chinese subsidies, tariffs, other trade barriers, and predatory intellectual property policies. Timely and astute negotiations under President Trump's leadership and his personal engagement with President Xi are essential to achieving a negotiated solution that leads to a strong, ambitious, and enforceable outcome for the United States.

As the United States works toward this outcome, it is important to target any response to China to minimize unintended consequences to local U.S. businesses. Broad tariffs can severely harm American companies, farmers, workers, and consumers.

The Committee notes that Article I, Section 8 of the United States Constitution gives Congress the authority over international trade. Based on this Constitutional authority and the partnership that has developed over time between Congress and the President through legislation, the Committee's expectation continues to be that all Administrations will engage in intensive consultation with Congress before taking action on any aspects of trade policy. This includes any actions taken with respect to tariffs, non-tariff barriers, trade negotiations (whether or not conducted under the framework set forth in the Bipartisan Congressional Trade Priorities and Accountability Act of 2015), dispute settlement, and any other trade enforcement initiatives.

### C. LEGISLATIVE HISTORY

#### *Background*

H. Res. 1018 was introduced by Representative Bill Pascrell on July 24, 2018, and was referred to the Committee on Ways and Means.

#### *Committee hearings*

The Committee held no hearings specifically on H. Res. 1018. However, the Committee has held several hearings during the 115th Congress on the U.S. trade agenda and tariffs, including

with testimony from U.S. Trade Representative Robert Lighthizer and Secretary of Commerce Wilbur Ross.

*Committee action*

The Committee on Ways and Means marked up H. Res. 1018 on September 5, 2018, and ordered the bill reported without recommendation (with a quorum being present) by a voice vote.

**II. EXPLANATION OF THE BILL**

H. Res. 1018 requests that the President transmit to the House of Representatives certain documents in the possession of the President relating to the determination to impose certain tariffs and to the strategy of the United States with respect to China.

**III. VOTES OF THE COMMITTEE**

In compliance with the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means during the markup consideration of H. Res. 1018, “Requesting the President to transmit to the House of Representatives certain documents in the possession of the President relating to the determination to impose certain tariffs and to the strategy of the United States with respect to China,” on September 5, 2018.

The resolution was ordered transmitted to the House without recommendation by a voice vote.

**IV. BUDGET EFFECTS OF THE BILL**

**A. COMMITTEE ESTIMATE OF BUDGETARY EFFECTS**

Clause 3(d) of rule XIII of the Rules of the House of Representatives is inapplicable.

**B. STATEMENT REGARDING NEW BUDGET AUTHORITY AND TAX EXPENDITURES BUDGET AUTHORITY**

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives is inapplicable.

**C. COST ESTIMATE PREPARED BY THE CONGRESSIONAL BUDGET OFFICE**

In compliance with clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee advises that the Congressional Budget Office did not provide a cost estimate for the resolution.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE**

**A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS**

With respect to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

#### B. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the resolution does not authorize funding, so no statement of general performance goals and objectives is required.

#### C. INFORMATION RELATING TO UNFUNDED MANDATES

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104–4).

The Committee has determined that the resolution does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

#### D. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the resolution, and states that the provisions of H. Res. 1018 do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

#### E. DUPLICATION OF FEDERAL PROGRAMS

In compliance with Sec. 3(g)(2) of H. Res. 5 (115th Congress), the Committee states that no provision of H. Res. 1018 establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to the Federal Program Information Act (Pub. L. No. 95–220, as amended by Pub. L. No. 98–169).

#### F. DISCLOSURE OF DIRECTED RULE MAKINGS

In compliance with Sec. 3(i) of H. Res. 5 (115th Congress), the following statement is made concerning directed rule makings: The Committee estimates that H. Res. 1018 specifically directs to be completed no specific rule makings within the meaning of 5 U.S.C. Sec. 551.

### **VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee advises that H. Res. 1018 would not make any changes to existing law.