

110TH CONGRESS  
1ST SESSION

# H. R. 3273

To authorize assistance to small- and medium-sized businesses to promote exports to the People's Republic of China, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2007

Mr. LARSEN of Washington (for himself, Mr. KIRK, Mrs. DAVIS of California, Mr. ISRAEL, and Mr. BOUSTANY) introduced the following bill; which was referred to the Committee on Foreign Affairs, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To authorize assistance to small- and medium-sized businesses to promote exports to the People's Republic of China, 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 AND TABLE OF CONTENTS.**

4       (a) SHORT TITLE.—This Act may be cited as the  
5       “United States-China Market Engagement and Export  
6       Promotion Act”.

7       (b) TABLE OF CONTENTS.—The table of contents for  
8       this Act is as follows:

See. 1. Short title and table of contents.

**TITLE I—PROGRAMS OF THE DEPARTMENT OF COMMERCE**

See. 101. Grants to States to establish and operate offices to promote exports to China.

See. 102. Program to establish China market advocate positions in United States Export Assistance Centers.

See. 103. Assistance to small- and medium-sized businesses for trade missions to China.

See. 104. Plan to consolidate fees for Gold Key matching services in China.

**TITLE II—PROGRAMS OF THE SMALL BUSINESS ADMINISTRATION**

See. 201. Trade outreach at the Office of International Trade of the Small Business Administration.

See. 202. Grants for Chinese business education programs.

**1        TITLE I—PROGRAMS OF THE**  
**2        DEPARTMENT OF COMMERCE**

**3        SEC. 101. GRANTS TO STATES TO ESTABLISH AND OPERATE**  
**4        OFFICES TO PROMOTE EXPORTS TO CHINA.**

5        (a) **GRANTS.**—The Secretary of Commerce, acting  
6        through the Assistant Secretary for Trade Promotion and  
7        Director of the United States and Foreign Commercial  
8        Service, shall provide grants to States to establish and op-  
9        erate State offices in the People’s Republic of China to  
10       provide assistance to United States exporters for the pro-  
11       motion of exports to China, with a particular focus on es-  
12       tablishment of offices in locations in addition to Beijing  
13       and Shanghai.

14       (b) **AMOUNT.**—The amount of a grant under sub-  
15       section (a) shall not exceed 33 percent of the total costs  
16       to establish and operate a State office described in such  
17       subsection.

1       (c) REGULATIONS.—Not later than 270 days after  
2 the date of the enactment of this Act, the Secretary of  
3 Commerce shall promulgate such regulations as may be  
4 necessary to carry out this section.

5       (d) DEFINITIONS.—In this section:

6           (1) STATE.—The term “State” has the mean-  
7 ing given the term in section 2301(j)(5) of the Ex-  
8 port Enhancement Act of 1988 (15 U.S.C.  
9 4721(j)(5)).

10          (2) UNITED STATES EXPORTER.—The term  
11 “United States exporter” has the meaning given the  
12 term in section 2301(j)(3) of the Export Enhance-  
13 ment Act of 1988 (15 U.S.C. 4721(j)(3)).

14       (e) AUTHORIZATION OF APPROPRIATIONS.—

15           (1) IN GENERAL.—There are authorized to be  
16 appropriated to the Secretary of Commerce  
17 \$10,000,000 for each of the fiscal years 2008  
18 through 2012 to carry out this section.

19           (2) AVAILABILITY.—Amounts appropriated pur-  
20 suant to the authorization of appropriations under  
21 paragraph (1) shall remain available until expended.

1   **SEC. 102. PROGRAM TO ESTABLISH CHINA MARKET ADVO-**  
2                   **CATE POSITIONS IN UNITED STATES EXPORT**  
3                   **ASSISTANCE CENTERS.**

4           (a) PROGRAM AUTHORIZED.—The Secretary of Com-  
5   merce, in the Secretary's role as chairperson of the Trade  
6   Promotion Coordinating Committee, shall establish a pro-  
7   gram to provide comprehensive assistance to small- and  
8   medium-sized businesses in the United States for purposes  
9   of facilitating exports to China.

10          (b) CHINA MARKET ADVOCATES.—

11            (1) POSITIONS AUTHORIZED.—

12              (A) IN GENERAL.—The Secretary of Com-  
13   merce shall create not fewer than 50 China  
14   market advocate positions in United States Ex-  
15   port Assistance Centers.

16              (B) APPOINTMENT AND TRAINING.—The  
17   China market advocates authorized under sub-  
18   paragraph (A) shall be appointed by the Sec-  
19   retary from among individuals with expertise in  
20   matters relating to trade with China and shall  
21   receive the training authorized under paragraph  
22   (2).

23              (C) RATE OF PAY.—China market advo-  
24   cates shall be paid at a rate equal to the rate  
25   of basic pay for grades GS-10 through GS-13

1 of the General Schedule under section 5332 of  
2 title 5, United States Code.

3 (D) GEOGRAPHIC DISTRIBUTION.—To the  
4 maximum extent practicable, China market ad-  
5 vocates shall be assigned to United States Ex-  
6 port Assistance Centers in a manner that  
7 achieves an equitable geographic distribution of  
8 China market advocates among United States  
9 Export Assistance Centers.

15 (c) SERVICES PROVIDED BY ADVOCATES.—China  
16 market advocates authorized under subsection (b) shall  
17 provide comprehensive assistance to small- and medium-  
18 sized businesses in the United States for purposes of facili-  
19 tating exports of United States goods to China. Such as-  
20 sistance may include—

21 (1) assistance to find and utilize Federal and  
22 private resources to facilitate entering into the mar-  
23 ket of China;

24 (2) continuous direct and personal contact with  
25 businesses that have entered the market of China;

5 (4) to the extent practicable, locating and re-  
6 cruiting businesses to enter the market of China.

7 (d) ADVERTISING OF PROGRAM.—The Secretary of  
8 Commerce shall make available to the public through ad-  
9 vertising and other appropriate methods information  
10 about services offered by China market advocates under  
11 the program authorized under subsection (a).

12 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
13 are authorized to be appropriated to the Secretary of Com-  
14 merce to carry out this section \$15,000,000 for each of  
15 the fiscal years 2008 through 2012, of which—

16 (1) \$5,000,000 are authorized to be appro-  
17 priated to carry out subsection (b)(2); and

20 SEC. 103. ASSISTANCE TO SMALL- AND MEDIUM-SIZED BUSI-  
21 NESSES FOR TRADE MISSIONS TO CHINA.

22 (a) ASSISTANCE AUTHORIZED.—The Secretary of  
23 Commerce, in the Secretary's role as chairperson of the  
24 Trade Promotion Coordinating Committee, shall provide  
25 assistance through United States Export Assistance Cen-

1 ters to eligible small- and medium-sized businesses in the  
2 United States for business-related expenses for trade mis-  
3 sions to China.

4 (b) SELECTION PROCESS.—The Secretary of Com-  
5 merce shall—

6 (1) develop a transparent and competitive scor-  
7 ing system for selection of small- and medium-sized  
8 businesses to receive assistance authorized under  
9 subsection (a) that focuses on the feasibility of ex-  
10 porting goods and services to China; and

11 (2) develop specific criteria for a definition of  
12 “business-related expenses”, as the term is used in  
13 subsection (a), that is compatible with best business  
14 practices.

15 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
16 are authorized to be appropriated to the Secretary of Com-  
17 merce \$2,000,000 for each of the fiscal years 2008  
18 through 2012 to carry out this section.

19 **SEC. 104. PLAN TO CONSOLIDATE FEES FOR GOLD KEY**  
20 **MATCHING SERVICES IN CHINA.**

21 (a) PLAN REQUIRED.—As soon as is practicable after  
22 the date of the enactment of this Act, the Secretary of  
23 Commerce, acting through the Assistant Secretary for  
24 Trade Promotion and Director of the United States and  
25 Foreign Commercial Service, shall submit to Congress a

1 plan to consolidate fees charged by the Department of  
2 Commerce for Gold Key matching services provided to  
3 small- and medium-sized businesses that export goods or  
4 services produced in the United States to more than one  
5 market in China.

6 (b) GOLD KEY MATCHING SERVICES DEFINED.—In  
7 this section, the term “Gold Key matching services”  
8 means the Gold Key Service program of the Department  
9 of Commerce and includes—

10 (1) the arrangement of business meetings with  
11 pre-screened contacts, representatives, distributors,  
12 professional associations, government contacts, or li-  
13 censing or joint venture partners in a foreign coun-  
14 try;

15 (2) customized market and industry briefings  
16 with trade specialists of the Department of Com-  
17 merce;

18 (3) timely and relevant market research;

19 (4) appointments with prospective trade part-  
20 ners in key industry sectors;

21 (5) post-meeting debriefing with trade special-  
22 ists of the Department of Commerce and assistance  
23 in developing appropriate follow-up strategies; and

24 (6) assistance with travel, accommodations, in-  
25 terpreter service, and clerical support.

1   **TITLE II—PROGRAMS OF THE**  
2   **SMALL BUSINESS ADMINIS-**  
3   **TRATION**

4   **SEC. 201. TRADE OUTREACH AT THE OFFICE OF INTER-**  
5                   **NATIONAL TRADE OF THE SMALL BUSINESS**  
6                   **ADMINISTRATION.**

7       Section 22 of the Small Business Act (15 U.S.C. 649)  
8    is amended by adding at the end the following new sub-  
9    sections:

10      “(h) PROMOTION OF EXPORTS TO CHINA.—The Of-  
11    fice shall provide strategic guidance to small business con-  
12    cerns with respect to exporting goods and services to  
13    China.

14      “(i) DIRECTOR OF CHINA PROGRAM GRANTS.—

15       “(1) IN GENERAL.—There shall be in the Office  
16    a Director of China Program Grants (in this sub-  
17    section referred to as the ‘Director’).

18       “(2) APPOINTMENT.—The Director shall be ap-  
19    pointed by the Administrator and shall be an indi-  
20    vidual with demonstrated successful experience in  
21    matters relating to international trade and admin-  
22    istering government contracts.

23       “(3) RATE OF PAY.—The Director shall be paid  
24    at a rate equal to or greater than the rate of basic

1 pay for grade GS-14 of the General Schedule under  
2 section 5332 of title 5, United States Code.

3       “(4) DUTIES.—The Director shall be respon-  
4 sible for administering the grant program authorized  
5 under section 202 of the United States-China Mar-  
6 ket Engagement and Export Promotion Act (relat-  
7 ing to Chinese business education programs) and  
8 any other similar or related program of the Office.”.

9 **SEC. 202. GRANTS FOR CHINESE BUSINESS EDUCATION**  
10                   **PROGRAMS.**

11       (a) GRANTS AUTHORIZED.—The Administrator of  
12 the Small Business Administration, acting through the Di-  
13 rector of China Program Grants in the Office of Inter-  
14 national Trade, shall make grants to institutions of higher  
15 education, or combinations of such institutions, to pay the  
16 Federal share of the cost of planning, establishing, and  
17 operating education programs described in subsection (b)  
18 to—

19                   (1) develop and enhance student skills, aware-  
20 ness, and expertise relating to business in China;  
21 and

22                   (2) prepare students to promote the competi-  
23 tiveness of and opportunities for United States small  
24 business concerns in China.

1       (b) EDUCATION PROGRAMS DESCRIBED.—Education  
2    programs described in this subsection are academic pro-  
3    grams of study relating to business in China, including  
4    undergraduate and graduate level degrees, courses, or  
5    seminars on—

6               (1) the economy of China;  
7               (2) trade and commerce in China;  
8               (3) new and expanding export opportunities for  
9    United States small business concerns in China; and  
10              (4) the economic, commerce, and trade relations  
11    between the United States and China.

12       (c) APPLICATION.—A small business concern desiring  
13    a grant under this section shall submit an application at  
14    such time, in such manner, and containing such informa-  
15    tion as the Director of China Program Grants may re-  
16    quire.

17       (d) DURATION OF GRANTS.—A grant under this sec-  
18    tion shall be for an initial period not to exceed 2 years.  
19    The Director of China Program Grants may renew such  
20    grant for additional 2-year periods.

21       (e) FEDERAL SHARE.—

22               (1) FEDERAL SHARE.—The Federal share of  
23    the cost of an education program described in sub-  
24    section (b) shall not exceed 50 percent of the cost  
25    of such program.

5 (f) DEFINITION.—In this section, the term “institu-  
6 tion of higher education” has the meaning given the term  
7 in section 101 of the Higher Education Act of 1965 (20  
8 U.S.C. 1001).