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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To impose additional duties on imports of goods into the United States,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GOLDEN of Maine introduced the following bill; which was referred to the
Committee on _____

A BILL

To impose additional duties on imports of goods into the
United States, 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 “Secure Trade Act”.

1 **TITLE I—IMPOSITION OF ADDI-**
2 **TIONAL DUTIES ON IMPORTS**
3 **OF GOODS INTO THE UNITED**
4 **STATES AND EXCEPTION TO**
5 **DUTY EXEMPTION FOR DE**
6 **MINIMIS ENTRIES AND MODI-**
7 **FICATIONS TO ENTRY REGU-**
8 **LATIONS**

9 **SEC. 101. IMPOSITION OF ADDITIONAL DUTIES ON IM-**
10 **PORTS OF GOODS INTO THE UNITED STATES.**

11 (a) IN GENERAL.—There shall be imposed a duty on
12 imports of any good into the United States in an amount
13 equal to 10 percent ad valorem of the good for each cal-
14 endar year beginning on or after the date of the enactment
15 of this Act.

16 (b) DUTIES TO BE CONSIDERED ADDITIONAL DU-
17 TIES.—The duty required by subsection (a) with respect
18 to a good is in addition to any other duty imposed by law
19 with respect to the good.

20 (c) WAIVER.—

21 (1) IN GENERAL.—Subject to paragraph (2),
22 the President may reduce the percentage require-
23 ment in subsection (a) (but not to zero) with respect
24 to goods in any economic sector of the United States
25 if the President determines that such reduction is in

1 the national interest or national security interest of
2 the United States.

3 (2) CONGRESSIONAL CONSULTATION.—The
4 President shall consult with the Committee on Ways
5 and Means of the House of Representatives and the
6 Committee on Finance of the Senate prior to exer-
7 cising the authority of paragraph (1) for purposes of
8 determining whether the economic sector that is to
9 be the subject of the reduction of the percentage re-
10 quirement in subsection (a) is appropriate.

11 **TITLE II—TRADE WITH CHINA**

12 **SEC. 201. MODIFICATIONS TO RATES OF DUTY TO ADDRESS**

13 **TRADE WITH THE PEOPLE'S REPUBLIC OF** 14 **CHINA.**

15 (a) ESTABLISHMENT OF RATES OF DUTY WITH RE-
16 SPECT TO ARTICLES OF THE PEOPLE'S REPUBLIC OF
17 CHINA.—

18 (1) IN GENERAL.—The President, by proclama-
19 tion, shall revise the Harmonized Tariff Schedule of
20 the United States (in this Act referred to as the
21 “HTS”) to include rates of duty applicable only with
22 respect to articles of the People's Republic of China.

23 (2) RATES.—

24 (A) IN GENERAL.—The rates of duty pro-
25 claimed under paragraph (1) shall be, except as

1 provided by subsection (h), the rates of duty set
2 forth in the column 2 rate of duty column of
3 the HTS on the day before the date of the en-
4 actment of this Act, modified as required by
5 subsection (b) and, if applicable, adjusted for
6 inflation under subsection (c).

7 (B) MINIMUM RATE OF DUTY FOR NON-
8 STRATEGIC GOODS.—A rate of duty described in
9 subparagraph (A) of an article that is not an
10 article specified in section 203 that is less than
11 35 percent ad valorem as of the day before the
12 date of the enactment of this Act shall be in-
13 creased to 35 percent ad valorem.

14 (b) MODIFICATIONS TO RATES OF DUTY WITH RE-
15 SPECT TO ARTICLES OF THE PEOPLE’S REPUBLIC OF
16 CHINA.—

17 (1) AD VALOREM DUTIES AND FREE RATES OF
18 DUTY.—

19 (A) IN GENERAL.—A rate of duty set forth
20 in the column 2 rate of duty column of the
21 HTS that is expressed as a percentage, or that
22 is free, shall, except as provided by subpara-
23 graph (B) or (C), continue to apply to articles
24 of the People’s Republic of China.

1 (B) MINIMUM RATE OF 100 PERCENT FOR
2 CERTAIN ARTICLES.—In the case of an article
3 specified in section 203, a rate of duty de-
4 scribed in subparagraph (A) that is less than
5 100 percent ad valorem as of the day before the
6 date of the enactment of this Act shall be in-
7 creased to 100 percent ad valorem.

8 (2) SPECIFIC AND COMPOUND RATES OF
9 DUTY.—

10 (A) IN GENERAL.—A rate of duty set forth
11 in the column 2 rate of duty column of the
12 HTS that is expressed as a specific or com-
13 pound rate of duty shall, except as provided by
14 subparagraphs (B) and (C), continue to apply
15 to articles of the People's Republic of China,
16 subject to adjustment for inflation under sub-
17 section (c).

18 (B) MINIMUM RATE EQUIVALENT TO 100
19 PERCENT AD VALOREM FOR CERTAIN ARTI-
20 CLES.—In the case of an article specified in
21 section 203, a rate of duty described in sub-
22 paragraph (A) that is less than the equivalent
23 of 100 percent ad valorem, after adjustment for
24 inflation under subsection (c), shall be in-

1 creased to be equivalent to 100 percent ad valo-
2 rem.

3 (c) ADJUSTMENT OF DUTIES FOR INFLATION.—

4 (1) IN GENERAL.—As soon as practicable after
5 the date of the enactment of this Act, and on De-
6 cember 31 of each year thereafter, the President
7 shall proclaim modifications to adjust the specific
8 and compound rates of duty described in subsection
9 (b)(2), as modified under that subsection, to reflect
10 the increase in the average of the Consumer Price
11 Index for the most recent full calendar year for
12 which data are available compared to the Consumer
13 Price Index for calendar year 1930.

14 (2) EFFECTIVE DATE OF INFLATION ADJUST-
15 MENTS.—

16 (A) FIRST ADJUSTMENT.—

17 (i) IN GENERAL.—The first adjust-
18 ment required by paragraph (1) shall apply
19 with respect to articles entered, or with-
20 drawn from warehouse for consumption, on
21 or after January 1, 2025.

22 (ii) RULES FOR RETROACTIVE COL-
23 LECTION.—Not later than 180 days after
24 the date of the enactment of this Act, the
25 Commissioner of U.S. Customs and Border

1 Protection shall issue rules for the retro-
2 active collection of duties under clause (i).

3 (B) SUBSEQUENT ADJUSTMENTS.—Each
4 adjustment required by paragraph (1) after the
5 first such adjustment shall apply with respect
6 to articles entered, or withdrawn from ware-
7 house for consumption, on or after January 1
8 of the year beginning after the issuance of the
9 proclamation.

10 (3) BASE RATE.—For purposes of the adjust-
11 ment required by paragraph (1), the President shall
12 use the rate of duty applicable under the column 2
13 general rate of duty column of the HTS, as modified
14 under subsection (b), as the base rate.

15 (4) CONSUMER PRICE INDEX DEFINED.—For
16 purposes of this subsection, the term “Consumer
17 Price Index” means the Consumer Price Index for
18 All Urban Consumers published by the Bureau of
19 Labor Statistics of the Department of Labor.

20 (d) PHASE-IN OF DUTY INCREASES.—The President
21 shall, by proclamation, phase-in the application of the duty
22 increases required by subsection (a), as modified under
23 subsection (b) and, if applicable, adjusted for inflation
24 under subsection (c), as follows:

1 (1) On and after the date that is 180 days after
2 the date of the enactment of this Act, 10 percent of
3 the total duty increase with respect to an article
4 shall apply.

5 (2) On and after the date that is 2 years after
6 such date of enactment, 25 percent of the total duty
7 increase with respect to an article shall apply.

8 (3) On and after the date that is 4 years after
9 such date of enactment, 50 percent of the total duty
10 increase with respect to an article shall apply.

11 (4) On and after the date that is 5 years after
12 such date of enactment, 100 percent of the total
13 duty increase with respect to an article shall apply.

14 (e) INFORMATION FROM INTERNATIONAL TRADE
15 COMMISSION.—

16 (1) IN GENERAL.—Not later than July 1 of
17 each year, the United States International Trade
18 Commission (in this Act referred to as the “Com-
19 mission”) shall submit to the President the informa-
20 tion described in paragraph (2) with respect to arti-
21 cles that are subject to a specific or compound rate
22 of duty under the column 2 rate of duty column of
23 the HTS and for which sufficient data are available
24 to calculate the ad valorem equivalent of those rates
25 of duty.

1 (2) INFORMATION DESCRIBED.—The informa-
2 tion described in this paragraph is an identification
3 of which articles specified in section 203 have an ad
4 valorem equivalent rate of duty of less than 100 per-
5 cent after adjustment for inflation under subsection
6 (c) and, for each such article, a calculation of the
7 specific or compound rate of duty that would in-
8 crease the rate of duty to be equivalent to 100 per-
9 cent ad valorem.

10 (f) TREATMENT OF ARTICLES IMPORTED ONLY
11 FROM THE PEOPLE’S REPUBLIC OF CHINA.—

12 (1) TARIFF-RATE QUOTAS.—

13 (A) ANNUAL ADJUSTMENTS.—

14 (i) IN GENERAL.—Notwithstanding
15 any other provision of law, the President
16 shall, by proclamation, establish a tariff-
17 rate quota that shall—

18 (I) apply to each article imported
19 only from the People’s Republic of
20 China; and

21 (II) be set for each calendar year
22 at an amount that is equal to the
23 amount, if any, by which consumption
24 of the article in the United States in
25 the most recent calendar year for

1 which data are available exceeds pro-
2 duction of the article in the United
3 States during that calendar year.

4 (ii) DETERMINATION OF THE PEO-
5 PLE'S REPUBLIC OF CHINA AS ONLY
6 SOURCE.—For purposes of subparagraph
7 (A)(i)(I), the President shall determine
8 that an article is imported only from the
9 People's Republic of China if official trade
10 statistics of the Department of Commerce
11 for the most recent full calendar year for
12 which data are available for the applicable
13 subheading of any of chapters 1 through
14 97 of the HTS, as reported on entry sum-
15 mary forms, show that the article is im-
16 ported only from the People's Republic of
17 China and from no other country.

18 (B) ENTRY OF IN-QUOTA ARTICLES.—Not-
19 withstanding any other provision of this section,
20 an article described in subparagraph (A)(i)(I)
21 that is entered before the applicable tariff-rate
22 quota is reached for the calendar year in which
23 the article is entered shall—

24 (i) during the 3-year period beginning
25 on the date of the enactment of this Act,

1 be subject to the rate of duty applicable to
2 the article on the day before such date of
3 enactment; and

4 (ii) after the period described in
5 clause (i), be subject to the rate of duty
6 applicable under subsection (a), as modi-
7 fied under subsection (b) and as phased-in
8 under paragraph (2).

9 (C) ENTRY OF ABOVE-QUOTA ARTICLES.—

10 Notwithstanding any other provision of this sec-
11 tion, an article described in subparagraph
12 (A)(i)(I) that is entered after the tariff-rate
13 quota is reached for the calendar year in which
14 the article is entered shall be subject to a rate
15 of duty of 100 percent ad valorem.

16 (2) PHASE-IN OF DUTY INCREASES.—Beginning
17 on the date that is 3 years after the date of the en-
18 actment of this Act, the President may, by procla-
19 mation, phase-in the application of the duty in-
20 creases required by paragraph (1)(B) with respect to
21 each article described in paragraph (1)(A)(i)(I) and
22 entered before the applicable tariff-rate quota under
23 paragraph (1) is reached for the calendar year in
24 which the article is entered, as follows:

1 (A) On and after the date that is 3 years
2 after the date of the enactment of this Act, 10
3 percent of the total duty increase required by
4 paragraph (1)(B) with respect to the article
5 shall apply.

6 (B) On and after the date that is 5 years
7 after such date of enactment, 25 percent of the
8 total duty increase required by paragraph
9 (1)(B) with respect to the article shall apply.

10 (C) On and after the date that is 6 years
11 after such date of enactment, 50 percent of the
12 total duty increase required by paragraph
13 (1)(B) with respect to the article shall apply.

14 (D) On and after the date that is 7 years
15 after such date of enactment, 100 percent of
16 the total duty increase required by paragraph
17 (1)(B) with respect to the article shall apply.

18 (3) INFORMATION FROM INTERNATIONAL
19 TRADE COMMISSION.—Not later than July 1 of each
20 year, the Commission shall submit to the President
21 an estimate of the production and consumption in
22 the United States of articles described in paragraph
23 (1)(A)(i)(I) for which sufficient data are available to
24 make such an estimate.

1 (g) AUTHORITY TO FURTHER MODIFY DUTIES SPE-
2 CIFIC TO THE PEOPLE'S REPUBLIC OF CHINA.—

3 (1) IN GENERAL.—The President, by proclama-
4 tion, may increase the rates of duty applicable to ar-
5 ticles of the People's Republic of China to rates that
6 are higher than the rates of duty described in sub-
7 section (a) and modified as required by subsection
8 (b) if the President determines doing so is necessary
9 to counteract the dependence of the United States
10 on imports from the People's Republic of China or
11 to penalize the People's Republic of China for unfair
12 trading practices.

13 (2) PHASE-IN.—If the President proclaims an
14 increase in a rate of duty under paragraph (1), the
15 President shall provide for the increase to be
16 phased-in over a period of 5 years on a schedule
17 equivalent to the schedule set forth in subsection
18 (d).

19 (3) REPORT.—The President may, for one or
20 more periods of not more than 60 days each, waive
21 the application of this subsection with respect to ar-
22 ticles described in paragraph (1) if the President
23 certifies Congress, not later than 15 days before
24 such waiver takes effect, that the waiver is vital to
25 the national security interests of the United States.

1 (h) ADDITIONAL AUTHORITIES.—

2 (1) AUTHORITY TO IMPOSE QUOTAS TO DE-
3 CREASE RELIANCE ON CHINESE IMPORTS.—The
4 President may establish quotas for the progressive
5 elimination of reliance on any articles imported from
6 the People's Republic of China.

7 (2) AUTHORITY TO PROHIBIT IMPORTS.—

8 (A) IN GENERAL.—The President may
9 prohibit the importation of any article from the
10 People's Republic of China if the President de-
11 termines that—

12 (i) the importation of the article poses
13 a threat to the national security of the
14 United States; or

15 (ii) the article is produced in a man-
16 ner that—

17 (I) constitutes an unfair trade
18 practice; or

19 (II) violates human rights.

20 (B) REGULATIONS.—The President shall
21 prescribe such regulations as may be necessary
22 for the enforcement of this paragraph.

23 (3) ADDITIONAL AUTHORITY.—In addition to
24 the other authorities provided by this section, the
25 President may proclaim such modifications to the

1 HTS as the President determines appropriate to
2 achieve the objectives of this Act, including with re-
3 spect to the manner of reflecting any modifications
4 in the HTS.

5 **SEC. 202. VALUATION OF MERCHANDISE IMPORTED FROM**
6 **THE PEOPLE’S REPUBLIC OF CHINA.**

7 Subpart A of part I of title IV of the Tariff Act of
8 1930 (19 U.S.C. 1401 et seq.) is amended by adding at
9 the end the following:

10 **“SEC. 403. VALUATION OF MERCHANDISE IMPORTED FROM**
11 **THE PEOPLE’S REPUBLIC OF CHINA.**

12 “(a) IN GENERAL.—Notwithstanding any other pro-
13 vision of law, merchandise imported from the People’s Re-
14 public of China shall be appraised on the basis of the
15 United States value of the merchandise.

16 “(b) VERIFICATION OF UNITED STATES VALUE.—

17 “(1) SUBMISSION BY IMPORTERS.—An importer
18 of merchandise described in subsection (a) shall sub-
19 mit to U.S. Customs and Border Protection, upon
20 entry of the merchandise, a statement of the United
21 States value of the merchandise.

22 “(2) VERIFICATION BY U.S. CUSTOMS AND BOR-
23 DER PROTECTION.—U.S. Customs and Border Pro-
24 tection shall—

1 “(A) verify the information with respect to
2 the United States value of merchandise sub-
3 mitted by an importer under paragraph (1);
4 and

5 “(B) submit to the United States Inter-
6 national Trade Commission—

7 “(i) a determination of whether or not
8 the value submitted by the importer is ac-
9 curate; and

10 “(ii) if that value is not accurate, a
11 revised value for the merchandise.

12 “(c) UNITED STATES VALUE DEFINED.—In this sec-
13 tion, the term ‘United States value’, with respect to im-
14 ported merchandise, means the price at which the im-
15 ported merchandise or similar imported merchandise is
16 freely offered for sale, packed ready for delivery, in the
17 principal market of the United States to all purchasers,
18 at the time of importation of the imported merchandise.”.

19 **SEC. 203. ARTICLES SPECIFIED.**

20 The articles specified in this section are articles
21 that—

22 (1) on the day before the date of the enactment
23 of this Act, are—

24 (A) identified on the Department of Com-
25 merce’s Draft List of Critical Supply Chains

1 pursuant to Executive Order 14017 (February
2 24, 2021);

3 (B) subject to an investigation under sec-
4 tion 301 of the Trade Act of 1971 (19 U.S.C.
5 2411); or

6 (C) subject to an investigation under sec-
7 tion 232 of the Trade Expansion Act of 1962
8 (19 U.S.C. 1862); or

9 (2) subject to the discretion of the Secretary of
10 Commerce, are dual-use items (as such terms are
11 defined in section 1742 of the Export Control Re-
12 form Act of 2018 (50 U.S.C. 4801)).

13 **SEC. 204. REVIEW BY COMMITTEE ON FOREIGN INVEST-**
14 **MENT IN THE UNITED STATES OF GREEN-**
15 **FIELD AND BROWNFIELD INVESTMENTS BY**
16 **FOREIGN COUNTRIES OF CONCERN.**

17 (a) INCLUSION IN DEFINITION OF COVERED TRANS-
18 ACTION.—Section 721(a)(4) of the Defense Production
19 Act of 1950 (50 U.S.C. 4565(a)(4)) is amended—

20 (1) in subparagraph (A)—

21 (A) in clause (i), by striking “; and” and
22 inserting a semicolon;

23 (B) in clause (ii), by striking the period at
24 the end and inserting “; and”; and

25 (C) by adding at the end the following:

1 “(iii) any transaction described in
2 subparagraph (B)(vi) proposed or pending
3 on or after the date of the enactment of
4 this clause.”;

5 (2) in subparagraph (B), by adding at the end
6 the following:

7 “(vi) Subject to subparagraphs (C)
8 and (E), an investment by a foreign person
9 that—

10 “(I) involves—

11 “(aa) the completed or
12 planned purchase or lease by, or
13 a concession to, the foreign per-
14 son of private or public real es-
15 tate in the United States; and

16 “(bb) the establishment of a
17 United States business to operate
18 a factory or other facility on that
19 real estate; and

20 “(II) could result in control, in-
21 cluding through formal or informal
22 arrangements to act in concert, of
23 that United States business by—

24 “(aa) the government of a
25 foreign country of concern (as

1 defined in section 10612(a) of
2 the Research and Development,
3 Competition, and Innovation Act
4 (42 U.S.C. 19221(a));

5 “(bb) a person owned or
6 controlled by, or acting on behalf
7 of, such a government;

8 “(cc) an entity in which
9 such a government has, directly
10 or indirectly, including through
11 formal or informal arrangements
12 to act in concert, a 5 percent or
13 greater interest;

14 “(dd) an entity in which
15 such a government has, directly
16 or indirectly, the right or power
17 to appoint, or approve the ap-
18 pointment of, any members of
19 the board of directors, board of
20 supervisors, or an equivalent gov-
21 erning body (including external
22 directors and other individuals
23 who perform the duties usually
24 associated with such titles) or of-
25 ficers (including the president,

1 senior vice president, executive
2 vice president, and other individ-
3 uals who perform duties normally
4 associated with such titles) of
5 any other entity that held, di-
6 rectly or indirectly, including
7 through formal or informal ar-
8 rangements to act in concert, a 5
9 percent or greater interest in the
10 entity in the preceding 3 years;
11 or

12 “(ee) an entity in which any
13 members or officers described in
14 item (dd) of any other entity
15 holding, directly or indirectly, in-
16 cluding through formal or infor-
17 mal arrangements to act in con-
18 cert, a 5 percent or greater inter-
19 est in the entity are officials of
20 such a government in the pre-
21 ceding 3 years.”;

22 (3) in subparagraph (C)(i), in the matter pre-
23 ceding subclause (I), by striking “subparagraph
24 (B)(ii)” and inserting “clause (ii) or (vi) of subpara-
25 graph (B)”;

(4) in subparagraph (E), by striking “clauses
(ii) and (iii)” and inserting “clauses (ii), (iii), and
(vi)”.

(b) MANDATORY FILING OF DECLARATIONS.—Section 721(b)(1)(C)(v)(IV)(bb) of the Defense Production Act of 1950 (50 U.S.C. 4565(b)(1)(C)(v)(IV)(bb)) is amended by adding at the end the following:

8 “(DD) GREENFIELD
9 AND BROWNFIELD INVEST-
10 MENTS BY FOREIGN COUN-
11 TRIES OF CONCERN.—The
12 parties to a covered trans-
13 action described in sub-
14 section (a)(4)(B)(vi) shall
15 submit a declaration de-
16 scribed in subclause (I) with
17 respect to the transaction.”.