

The Play by the Rules Act

U.S. Senators Tammy Baldwin (D-WI), Shelley Moore Capito (R-WV), Debbie Stabenow (D-MI) and Bill Cassidy (R-LA) introduced legislation to hold China accountable for ignoring trade rules and harming American workers and businesses

The problem: Our trade laws are designed to stop trade partners from tipping the scales in their favor and forcing American workers to compete at a disadvantage. These laws allow U.S. customs officials to collect anti-dumping duties (ADs) on products sold below market value, or countervailing duties (CVDs) on products that received government subsidies in their production.

These rules are widely used and largely followed by WTO members. China, however, has refused to play by these rules. China is engaged in a sophisticated and government-backed effort to circumvent our trade rules—at the expense of American workers. China closely monitors our AD/CVD cases as they progress, and alters their products slightly to get around the rules, violating the spirit of the law, if not the letter. In fact, of all the anti-circumvention petitions *ever filed* for ‘minor alterations,’ almost 70 percent are against China.

The solution: No other country is engaged in this level of circumvention. As a nonmarket economy, China uses its vast government resources to help its companies evade U.S. trade laws. In order to address the unprecedented nature of Chinese cheating, Senator Baldwin’s legislation provides the Commerce Department additional flexibility when reviewing anti-circumvention petitions filed against nonmarket economies like China. This flexibility will allow Commerce to better combat China’s attempts to cheat our workers and businesses.

The *Play by the Rules Act* is supported by the United Steelworkers, the Decorative Hardwood Association, the Committee to Protect U.S. Trade Laws, and Felker Brothers in Marshfield, Wisconsin.

“The Chinese government has subsidized plywood dumped by Chinese companies into American markets injuring American companies and their workers. When the U.S. government acted and assessed anti-dumping duties, American companies were able to re-hire workers in Wisconsin, Maine, Vermont, North Carolina, Oregon, Virginia, and West Virginia. But China is circumventing these lawful duties, threatening to undo our progress. Senator Baldwin’s legislation provides the Commerce Department with the tools we need to crack down on trade cheating from China. We fully support her efforts and thank her for her work,” **said Kip Howlett, President, Decorative Hardwood Association.**

“The **Committee to Support U.S. Trade Laws (CSUSTL)** strongly supports the U.S. trade laws and recognizes that they ensure a level playing field for all parties impacted by unfair trade. The introduction of the Play by the Rules Act of 2019 reiterates the importance of having the appropriate trade tools available to remedy persistent trade distorting practices. We thank Senator Baldwin and her colleagues for their leadership and commitment to this issue.”