

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4306

To provide for commercial and labor rule of law programs in the People's Republic of China to enhance rationality and accountability in the administration of justice in the commercial area, strengthen labor rights protection, and lay the intellectual and institutional groundwork for further reforms.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2000

Mr. GEJDENSON (for himself, Mr. BEREUTER, Mr. PORTER, Mr. BERMAN, Mr. ACKERMAN, Mr. HASTINGS of Florida, and Mrs. LOWEY) introduced the following bill; which was referred to the Committee on International Relations

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## A BILL

To provide for commercial and labor rule of law programs in the People's Republic of China to enhance rationality and accountability in the administration of justice in the commercial area, strengthen labor rights protection, and lay the intellectual and institutional groundwork for further reforms.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Commercial Competitiveness and Labor Rights in China  
4 Act of 2000”.

5 (b) TABLE OF CONTENTS.—The table of contents of  
6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and purpose.
- Sec. 3. Establishment of rule of law programs.
- Sec. 4. Administrative authorities.
- Sec. 5. Prohibition relating to human rights abuses.
- Sec. 6. Authorization of appropriations.

7 **SEC. 2. FINDINGS AND PURPOSE.**

8 (a) FINDINGS.—

9 (1) The United States and the People’s Repub-  
10 lic of China signed a bilateral agreement on Novem-  
11 ber 15, 1999, on accession of China to the World  
12 Trade Organization (hereinafter referred to as the  
13 “China-WTO Agreement”), under which China  
14 made a detailed set of concessions eliminating or  
15 limiting tariff and non-tariff barriers to trade in  
16 order to become a member of the World Trade Or-  
17 ganization (WTO).

18 (2) Under the China-WTO Agreement, the Gov-  
19 ernment of the People’s Republic of China will be re-  
20 quired to amend many of its laws, transform its in-  
21 stitutions, and change its policies to bring them into  
22 conformity with international trade rules.

1           (3) Officials of the Government of the People’s  
2           Republic of China, both at the national and provin-  
3           cial levels, must interpret and implement the terms  
4           and conditions of the China-WTO Agreement and  
5           the WTO regime into concrete policies, rules, and  
6           regulations—a process which can materially benefit  
7           or harm United States companies and their workers.

8           (4) The China-WTO Agreement, despite the  
9           desperate need in the People’s Republic of China for  
10          independent labor unions and other resources which  
11          inform workers of their rights and fight against ex-  
12          ploitative working conditions, does not require China  
13          to make changes in the labor rights area.

14          (5) The United States currently provides a  
15          small amount of assistance to promote the rule of  
16          law in the People’s Republic of China, but does not  
17          have authorization to help officials of the Chinese  
18          Government to write the laws, rules, and regulations  
19          necessary to implement its obligations under the  
20          China-WTO Agreement, or to promote better en-  
21          forcement of labor laws and regulations and respect  
22          for core labor rights as developed by the Inter-  
23          national Labor Organization.

24          (6) Major United States trade competitors, in-  
25          cluding the European Union, Japan, France, Ger-

1 many, Canada, and Australia, have already launched  
2 extensive, multi-year rule of law programs in the  
3 People's Republic of China designed to promote ra-  
4 tionality and openness in the administration of com-  
5 mercial law as well as to assist the People's Republic  
6 of China in revising its trade and investment laws to  
7 make them consistent with the requirements of the  
8 WTO, through training programs, workshops, semi-  
9 nars, and exchanges.

10 (7) It is critical that the United States aggres-  
11 sively protect its hard-won concessions from the Peo-  
12 ple's Republic of China relating to WTO member-  
13 ship by ensuring that China—

14 (A) writes laws, rules, and regulations that  
15 are fair, open, and transparent, and that do not  
16 discriminate against United States commercial  
17 interests; and

18 (B) revises and expands existing labor leg-  
19 islation to bring labor laws into compliance with  
20 internationally-recognized core labor standards,  
21 as defined by the International Labor Organiza-  
22 tion, and as noted in the International Cov-  
23 enants on Civil and Political Rights, and Eco-  
24 nomic, Social and Cultural Rights.

1           (8) Over the last eight years, the Commercial  
2           Law Development Division of the United States De-  
3           partment of Commerce has dispatched United States  
4           lawyers to developing countries to help such coun-  
5           tries improve their laws and institutions in order to  
6           promote economic reform and compliance with inter-  
7           national trade regimes.

8           (9) Extending commercial and labor rule of law  
9           programs in the People's Republic of China will fur-  
10          ther United States national interests even if the  
11          Government of China continues to impede the devel-  
12          opment of the rule of law in others aspects of Chi-  
13          nese society.

14          (b) PURPOSE.—The purpose of this Act is to estab-  
15          lish commercial and labor rule of law programs in the Peo-  
16          ple's Republic of China to enhance rationality and ac-  
17          countability in the administration of justice in the com-  
18          mercial area, strengthen labor rights protection, and lay  
19          the intellectual and institutional groundwork for further  
20          reforms.

21          **SEC. 3. ESTABLISHMENT OF RULE OF LAW PROGRAMS.**

22          (a) COMMERCIAL RULE OF LAW PROGRAM.—

23                  (1) IN GENERAL.—The Secretary of Commerce,  
24          in consultation with the Secretary of State and the  
25          Administrator of the United States Agency for

1 International Development, is authorized to establish  
2 a program to conduct rule of law training and tech-  
3 nical assistance related to commercial activities in  
4 the People's Republic of China.

5 (2) ROLE OF THE SECRETARY OF STATE.—The  
6 Secretary of State shall provide foreign policy guid-  
7 ance to the Secretary of Commerce to ensure that  
8 the program established under paragraph (1) is ef-  
9 fectively integrated into the foreign policy of the  
10 United States.

11 (b) LABOR RULE OF LAW PROGRAM.—

12 (1) IN GENERAL.—The Secretary of State, in  
13 consultation with the Secretary of Labor, is author-  
14 ized to establish a program to conduct rule of law  
15 training and technical assistance related to labor ac-  
16 tivities in the People's Republic of China.

17 (2) LIMITATION.—The Secretary of State shall  
18 not provide assistance under the program authorized  
19 by paragraph (1) to the All-China Federation of  
20 Trade Unions.

21 (c) CONDUCT OF PROGRAMS.—The programs author-  
22 ized by this section may be used to conduct activities such  
23 as seminars and workshops, drafting of commercial and  
24 labor codes, legal training, publications, financing the op-  
25 erating costs for nongovernmental organizations working

1 in this area, and funding the travel of individuals to the  
2 United States and to the People's Republic of China to  
3 provide and receive training.

4 **SEC. 4. ADMINISTRATIVE AUTHORITIES.**

5 In carrying out the programs authorized by section  
6 3, the Secretary of Commerce and the Secretary of State  
7 may utilize any of the authorities contained in the Foreign  
8 Assistance Act of 1961 and the Foreign Service Act of  
9 1980.

10 **SEC. 5. PROHIBITION RELATING TO HUMAN RIGHTS**  
11 **ABUSES.**

12 Amounts made available to carry out this Act may  
13 not be provided to a component of a ministry or other ad-  
14 ministrative unit of the national, provincial, or other local  
15 governments of the People's Republic of China, to a non-  
16 governmental organization, or to an official of such gov-  
17 ernments or organizations, if the President has credible  
18 evidence that such component, administrative unit, organi-  
19 zation or official has been materially responsible for the  
20 commission of human rights violations.

21 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

22 (a) **COMMERCIAL LAW PROGRAM.**—There are author-  
23 ized to be appropriated to the Secretary of Commerce to  
24 carry out the program described in section 3(a) such sums

1 as may be necessary for fiscal year 2001 and each subse-  
2 quent fiscal year.

3 (b) LABOR LAW PROGRAM.—There are authorized to  
4 be appropriated to the Secretary of State to carry out the  
5 program described in section 3(b) such sums as may be  
6 necessary for fiscal year 2001 and each subsequent fiscal  
7 year.

8 (c) CONSTRUCTION WITH OTHER LAWS.—Except as  
9 provided in this Act, funds appropriated pursuant to the  
10 authorization of appropriations in this section may be obli-  
11 gated or expended notwithstanding any other provision of  
12 law.

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