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H. RES. 280

Expressing the sense of the House of Representatives that decades of policies rooted in socialism have stifled United States domestic pharmaceutical drug manufacturing and left the United States exposed to the hostile actions and unfair trade practices of the People's Republic of China.

IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2021

Mr. JACKSON (for himself, Mr. BANKS, Mr. C. SCOTT FRANKLIN of Florida, Ms. HERRELL, Mr. MAST, Mr. BAIRD, Ms. TENNEY, Mr. HICE of Georgia, Ms. SALAZAR, Mr. MCCLINTOCK, and Mr. ROY) submitted the following resolution; which was referred to the Committee on Ways and Means, and in addition to the Committees on Foreign Affairs, and Energy and Commerce, 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

RESOLUTION

Expressing the sense of the House of Representatives that decades of policies rooted in socialism have stifled United States domestic pharmaceutical drug manufacturing and left the United States exposed to the hostile actions and unfair trade practices of the People's Republic of China.

Whereas until the recent enactment of the Tax Cuts and Jobs Act, the United States had one of the least competitive tax systems in the world, causing decades of manu-

facturing job losses and increased offshoring of vital industries;

Whereas the over \$2,000,000,000,000 of annual economic output lost due to the cost imposed by Federal regulatory action would, by itself, be the 15th largest economy;

Whereas the crushing \$28,000,000,000,000 Federal debt has drained United States credit markets, starving Americans and American businesses of needed funding to expand operations and modernize factories;

Whereas the left has, for decades, sought to expand these burdens and barriers of the Federal Government to promote its radical agenda, depleting America of its industrial base;

Whereas the pharmaceutical industry has been particularly affected by the negative effects of these anticompetitive socialist policies, driving up prices and forcing private industry to offshore manufacturing processes;

Whereas the novel coronavirus (COVID–19) outbreak compounded national security and public health concerns and highlighted potential vulnerabilities regarding the American health care system’s reliance on foreign nations, particularly China, for medical supplies and pharmaceuticals;

Whereas the Communist Chinese regime has sought to take advantage of these burdens and use its own tariffs, subsidies, and anticompetitive policies to gain a comparative advantage in the manufacturing of active pharmaceutical ingredients;

Whereas, in September 2018, the Department of Defense published a study titled “Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States”, which identi-

fied several national security risks associated with China's anticompetitive, protectionist trade policies;

Whereas the 2018 National Defense Strategy clearly states that the central challenge to the prosperity, security, and success of the United States is China's authoritarian model and long-term strategic competition;

Whereas China is also leveraging military modernization and predatory economics to reorder the Indo-Pacific region to its advantage and to displace the United States in its efforts for global dominance;

Whereas, in October 2019, the Food and Drug Administration testified that China has increased production of active pharmaceutical ingredients over the past decade, driven by industry desire for cost-savings and less stringent regulatory structures;

Whereas in that testimony, the Food and Drug Administration noted that current data capabilities leave gaps in understanding the exact volume of foreign-sourced active pharmaceutical ingredients being used for domestic drugs, the volume being produced at Chinese facilities, and where Chinese active pharmaceutical ingredients are being distributed worldwide;

Whereas China intends to continue using United States self-imposed economic constraints to push the United States out of global affairs and to dismantle the free market structures that have lead to unprecedented global prosperity;

Whereas the threat imposed by China is dependent on the United States continuing decades of domestic policies that have stifled development and crippled the United States manufacturing base; and

Whereas the people and industries of the United States possess the skillsets, tools, and innovative spirit to restore the United States pharmaceutical manufacturing base and to fully counter the unfair and anticompetitive practices of the Communist Chinese regime: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

2 (1) commits to the competitive free market and
3 free trade policies that allowed the United States to
4 become the wealthiest and most advanced Nation on
5 Earth;

6 (2) commits to combating, through the use of
7 free market policies, the present national security
8 threat caused by the Communist Chinese regime and
9 its attacks on the United States pharmaceutical
10 manufacturing base; and

11 (3) urges the United States Government to—

12 (A) remove the Federal tax, regulatory,
13 and debt burdens and barriers that have weak-
14 ened the United States pharmaceutical manu-
15 facturing base;

16 (B) empower the United States Trade
17 Representative to call on the international com-
18 munity, to adopt competitive free trade and free
19 market policies, and to counter the harmful and
20 unfair trade practices of the Communist Chi-
21 nese regime;

1 (C) address shortcomings in Food and
2 Drug Administration data collection to better
3 understand the exact nature of United States
4 reliance on foreign-sourced advanced pharma-
5 ceutical ingredients; and

6 (D) identify and streamline Food and
7 Drug Administration regulatory hurdles that
8 have stifled the United States pharmaceutical
9 manufacturing base and that have promoted
10 foreign supply lines and offshoring United
11 States industry.

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