

Congress of the United States
Washington, DC 20515

January 17, 2019

President Donald J. Trump
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump,

In April 2017, we sent you a letter stressing the importance of the U.S.-China relationship and wishing you luck ahead of your first meeting with President Xi Jinping at Mar-a-Lago. While much has changed since that time in terms of U.S.-China relations, our sentiments outlined in our first letter remain the same. Specifically, ongoing dialogue between our countries represents the best way to address both shared interests and challenges. Given the importance of the United States and China as key global economic players, current trade tensions and business uncertainty have had ripple effects across global marketplaces, including a direct negative impact on our economy at home. This spans a range of industries – many in the agriculture and manufacturing sectors – impacted by both trade tensions and Chinese retaliatory measures.

As such, we applaud your most recent meeting with President Xi Jinping and your combined efforts to defuse trade tensions by launching a 90-day window for meaningful negotiations. During this current pause, we are hopeful both governments will expend every effort to reach an enforceable agreement that will benefit American workers, farmers, businesses, and consumers, while addressing once and for all longstanding concerns with unfair Chinese trade practices.

During negotiations, we encourage you and your team to focus on increased market access for U.S. businesses, acknowledgement and elimination of forced technology transfers, and improved intellectual property protections. Ideally a deal will include concrete and enforceable steps to:

- Eliminate Chinese trade barriers, including market access barriers in sectors such as financial services, information technology, and remanufactured products, as well as other market-distorting policies such as domestic subsidies, problematic industrial policies, discriminatory testing and certification.
- Ensure full protection for U.S. intellectual property through measures to eliminate forced technology transfer and local content rules, boost civil and criminal remedies for intellectual property, remove digital trade barriers and eliminate investment barriers and innovation policies that do not unfairly boost domestic players.

- Modernize standards and regulatory practices to ensure transparency and science-based approaches and prevent unfair use of competition or other areas of policy to protect domestic players.

Importantly, it should also include a plan of action to remove the tariffs on \$250 billion of Chinese imports to the United States.

Absent an agreement, we remain concerned about the impact of tariffs, including the tariff hike from 10 percent to 25 percent on \$200 billion worth of Chinese goods that is scheduled to be implemented on March 2 or future rounds of increased tariffs. Those actions, and further Chinese retaliatory tariffs, will have a significant negative impact on U.S. companies and consumers – effects that we are already beginning to see.

Further, we expect new pitfalls will only get worse if the two sides are unable to come to agreement. The risk of Chinese non-tariff retaliation is real for many American businesses and farmers. For example, we recently saw U.S. cherry exports delayed at the Chinese border by customs, ultimately resulting in the loss of perishable products. We understand this type of problem has been faced by other U.S. exporters as well.

We appreciate your commitment to addressing several of our biggest challenges with China, as well as your understanding of the impact that this process has had and will continue to have on American workers and farmers.

We appreciate your consideration and stand ready and willing to help in any way.

Sincerely,



Darin LaHood
Member of Congress
Co-Chair US-China Working Group



Rick Larsen
Member of Congress
Co-Chair US-China Working Group