



Congress of the United States
House of Representatives
Washington, DC 20515

Parallel Opinion to “Reset, Prevent, Build”
by Rep. Jake Auchincloss and Rep. Dusty Johnson
December 15, 2023

We appreciate the substantive and bipartisan efforts of committee leadership and staff to produce *Reset, Prevent, Build: A Strategy to Win America’s Economic Competition with the Chinese Communist Party*. We respectfully file this parallel opinion.ⁱ It diverges from the industrial policy of the *Strategy* while emphasizing a subset of the report’s recommended legislation as beneficial and actionable.ⁱⁱ Not mentioned in this parallel opinion are the thoughtful recommendations with which we agree, like high-skilled immigration reform and small-modular reactor deployment, but which do not have accompanying legislation. This omission reflects our bias for drafted legislation that is ready to move.

Moving forward, we recommend focusing the Committee’s political capital on passing a subset of the *Strategy*’s recommended legislation that avoids dirigisme while still:

- Toughening the terms of trade and economic relations with China, and building stronger trade, investment, and diplomatic ties with allies and the Global South
- Making the U.S. political economy a harder target for CCP interference
- Investing in U.S. scientific & manufacturing excellence

We welcome feedback from Members, staff, and experts on the below recommendations. Policies recommendations that were not included in the *Strategy* are noted with an asterisk (*).

Toughen the terms of trade and economic relations with China, while building stronger trade, investment, and diplomatic ties with allies and the Global South:

1. Require origin and location disclosure for new products of foreign origin offered for sale on the internet. [[COOL Online Act](#)]ⁱⁱⁱ
2. Amend the Tariff Act of 1930 to improve the administration of antidumping and countervailing duty laws [[Leveling the Playing Field 2.0 Act](#)]
3. Strengthen the Uyghur Forced Labor Prevention Act [[Strengthening the Uyghur Forced Labor Prevention Act](#)]
4. End Taiwan double taxation [[United States-Taiwan Expedited Double-Tax Relief Act](#)]
5. Require the Department of State to take actions to stop China from being classified as a developing country by international organizations, which confers certain rights and beneficial treatment. [[PRC Is Not a Developing Country Act](#). Already passed the House this term]

6. Fix the equity-scoring issue with the Development Finance Corporation to make it more effective in countering the Belt & Road Initiative [[Enhancing American Competitiveness Act of 2023](#)]
 7. Establish a comprehensive, long-term United States strategy and policy for the Pacific Islands [[BLUE Pacific Act](#)]
 8. Require the imposition of sanctions with respect to the People's Republic of China if the People's Liberation Army initiates a military invasion of Taiwan. [[STAND with Taiwan Act of 2023](#)]
 9. Fix ITAR regulations to unlock full AUKUS potential [[TORPEDO Act of 2023](#)]
 10. Reauthorize the Generalized System of Preferences
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Make the U.S. political economy a harder target for CCP interference:

1. Make CCP lobbying more transparent. Require an agent of a Chinese business entity to register as an agent of a foreign principal in certain instances. [[Chinese Communist Party Influence Transparency Act](#)]
 2. Transfer unobligated COVID funds to the Federal Communications Commission to enable the Commission to carry out the Secure and Trusted Communications Networks Reimbursement Program. [[Defend Our Networks Act](#)]
 3. Restrict US federal agencies from procuring drones manufactured in foreign adversary countries. [[American Security Drone Act of 2023](#)]
 4. Establish a framework for corporate disclosure requirements to provide investors greater transparency into risks from publicly traded companies' exposure to China. [No associated bill. Also top recommendation from the 2023 U.S.-China Economic and Security Review Commission's [Report](#) to Congress]
 5. Empower administration to restrict TikTok, and other such entities. Department of Commerce must identify, deter, disrupt, prevent, prohibit, investigate, and mitigate transactions involving information & communication technology products and services (1) in which any foreign adversary (such as China) has any interest, and (2) that pose an undue or unacceptable risk to U.S. national security or the safety of U.S. persons. [[RESTRICT Act](#)]
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Invest in U.S. scientific & manufacturing excellence:

1. Double the funding of basic science & technology research over the next ten years [[GOP China Task Force Recommendation](#)]*. Beyond NIH, NSF, and Dept of Energy funding, some policies to make progress include:
 - o Eliminate the five-year amortization requirement for research and experimental expenditures, thus allowing continued expensing of such expenditures in the taxable years in which they are incurred. [[American Innovation and R&D Competitiveness Act](#)]*
 - o Establish the National Artificial Intelligence Research Resource. [[CREATE AI Act](#)]*

- Provide commercialization services for federally funded small business research and development under the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. [[Research Advancing to Market Production for Innovators Act](#)]*
 - Provide statutory authority for a research and development partnership between the Department of Energy (DOE) and the National Science Foundation (NSF). [[DOE and NSF Interagency Research Act](#)]*
 - Fully appropriate for the basic research and NIST provisions of the bipartisan CHIPS & Science law from the 117th Congress*
2. Improve math education. Quality math instruction develops the brain's executive function, and early numeracy is instrumental not only to later success in STEM, but also to literacy and to critical reasoning.*
 - Provide grants on a merit-reviewed, competitive basis to institutions of higher education and nonprofit organizations (or a consortium thereof) for research and development to advance innovative approaches to support and sustain high-quality mathematical modeling education in schools operated by local educational agencies, including statistical problem solving, data science, operations research, and computational thinking. [[Mathematical and Statistical Modeling Education Act](#)]
 3. Require the Department of Health and Human Services (HHS) to seek to contract with the National Institute for Innovation in Manufacturing Biopharmaceuticals to assess and make recommendations concerning U.S. capabilities for biopharmaceutical manufacturing and related matters. [[Agility in Manufacturing Preparedness Act](#)]
 4. Provide opportunities for students and workers looking to gain skills in high-demand fields by allowing Pell Grants to support students enrolled in high-quality, short-term education programs that will lead to career advancement. [[Bipartisan Workforce Pell Act](#)]
 5. Allow the use of 529 accounts to pay for recognized postsecondary credentials. [[Freedom To Invest in Tomorrow's Workforce Act](#)]
 6. Help young Americans make informed decisions about educational pathways. [[College Transparency Act](#)]
 7. Allow a new tax credit for the domestic production of rare earth magnets. [[Rare Earth Magnet Manufacturing Production Tax Credit Act of 2023](#)]

We appreciate the Committee offering the opportunity to contribute additional views to the *Strategy* and look forward to continuing this important work with Chairman Gallagher and Ranking Member Krishnamoorthi.

Sincerely,



Jake Auchincloss
Member of Congress



Dusty Johnson
Member of Congress

ⁱAt the Committee’s business meeting, Auchincloss voted “no” on the *Strategy*, while Johnson voted “yes.” They agree that these policy recommendations should be most highly prioritized among those within the *Strategy*.

ⁱⁱExamples of potentially problematic industrial policy include the regime of tariffs, restrictions, and subsidies established by recommendations 1.1 & 1.3 (Pillar I) and 3.7 (Pillar II) that could raise prices on consumers and impair incentives and market access for enterprise. They also include recommendation 1.1 (Pillar III), which could re-direct fundamental science away from its curiosity-driven, peer-reviewed ethos.

ⁱⁱⁱ Bills in green are bipartisan at time of writing; in blue are Democrat-only; in red are Republican-only.