

VOTE YES ON SOLAR CRA (H.J. RES 39)

The bipartisan, bicameral joint resolution of disapproval under the Congressional Review Act (CRA) would roll back the Biden administration's rule that allows Chinese solar manufacturers to continue illegally violating U.S. trade law until June 2024 without any repercussion. Democrats and Republicans agree that enforcing U.S. trade law is critical, especially as U.S. solar manufacturers have announced billions in investment to boost domestic solar production thanks to the Inflation Reduction Act.

Opponents of the Solar CRA, led by industry groups like the Solar Energy Industries Association (SEIA) that are funded by and represent Chinese solar manufacturers, have continued to spread falsehoods in an effort to protect China's illegal trade activity. In December, the Department of Commerce's preliminary determination in its anticircumvention investigation confirmed that Chinese companies operating in Malaysia, Thailand, Vietnam, and Cambodia are illegally circumventing existing AD/CVD duty orders.

Supporting the bipartisan, bicameral resolution is a win for American solar manufacturers and their workers, and it holds China accountable for illegal trade activity.

KEY FACTS

The Solar Emergency Declaration is not merely a two year tariff suspension. It is in fact a “get out of jail free card” for China forever.

➤ *Commerce's ruling allows Chinese manufacturers to avoid tariffs forever by merely certifying that they produce wafers outside of China – something they will easily be able to do prior to the end of the two-year suspension of tariffs.*

China's overwhelming dominance in solar manufacturing is built upon massive trade abuses, government subsidies, forced labor, use of coal-fired power plants, and IP theft.

➤ *Currently, China controls production of 67% of polysilicon, 95% of ingots, 97% of wafers, 79% of cells, and 71% of modules.*

➤ *Tax incentives alone will never be enough to counter China's dominance in solar.*

➤ *Given the overwhelming barriers to competing with China in solar, a whole-of-government approach, including trade enforcement, is needed to create a robust domestic solar supply chain.*

The Solar Energy Industry Association (SEIA) is a front for Chinese interests. Its members include Chinese companies implicated in Commerce's case and in using forced labor.

➤ *In a **report** released last year, The American Prospect exposed SEIA as failing to “disclose that among its leading members are the same Chinese-owned companies that are implicated not only in the investigation of illegal tariff evasion, but in the use of slave labor to produce solar components and coal-fired energy to power the factories.”*

➤ *Additionally, SEIA's “main strategy for the past ten years has been to lament restrictions on Chinese solar production.”*

➤ *The American Prospect **reports** that “SEIA's membership includes U.S. subsidiaries of Chinese producers JinkoSolar, JA Solar, Trina Solar, BYD, and LONGi Solar, which are the dominant solar component manufacturers in the world.”*

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The Chinese and their allies have waged a multi-million dollar misinformation campaign to create a fake crisis that the “sky would fall” if U.S. trade laws are enforced in solar.

- *The Chinese and their allies have falsely claimed that the potential of trade enforcement is creating massive disruption in solar deployment.*
- *The truth is that circumventing Chinese solar imports from SE Asia have continued to rise steadily. In fact, imports from Cambodia, Malaysia, Thailand, and Vietnam have risen 69% since 2019.*
- *Disruptions in solar deployment come from over-reliance on fragile Chinese supply chains and legitimate, necessary enforcement against China’s use of forced labor.*
- *The Chinese and their allies have falsely claimed that most Chinese circumventors would be subject to tariff rates of greater than 250%. The truth is that the tariff rates for most Chinese circumventors would be a modest 20-30%.*

Allowing tariff-free imports from Chinese solar manufacturers that are illegally violating U.S. trade law is tantamount to supporting forced labor and genocide.

- *The Uyghur Forced Labor Prevention Act (UFLPA) has not and will not stop Chinese forced labor in solar because the UFLPA is targeted at U.S. imports and not the entire production of Chinese solar companies.*
- *China is merely bifurcating their solar supply chain to technically comply with UFLPA while continuing their forced labor and genocide unabated.*

Enforcing U.S. trade law and holding China accountable is key to achieving energy independence and supply chain stability, and protecting national security.

- *The U.S. cannot become over-reliant on China for solar like Europe is on Russian energy.*
- *Our dependence on Chinese solar poses a serious security risk as China continues its adversarial behavior and takes steps to maintain its chokehold on the solar supply chain.*

Boosting domestic solar production and reducing dependence on Chinese solar imports is key to addressing climate change and meeting climate goals.

- *China relies on coal-fired power plants to manufacture solar products. In contrast, American solar manufacturers use much cleaner energy in powering their factories.*
- *A recent Cornell [study](#) found that reshoring the solar supply chain and boosting domestic solar manufacturing would significantly cut greenhouse gas emissions by 30%.*
- *As NBC recently [reported](#), “research from the Center for Research on Energy and Clean Air and GEM published late last month showed China approved the highest number of new coal-fired plants since 2015 last year.” Incredibly, “Beijing authorized 106 gigawatts of new coal power capacity in 2022, four times higher than a year earlier and the equivalent of 100 large-fired power plants, the research said.”*

Opponents of the Solar CRA want to continue a flood of dumped and circumventing Chinese solar imports, which will inflict serious harm on American solar manufacturers and their workers.

- *Temporary jobs merely installing Chinese solar modules can never match high quality, stable and community-based U.S. solar manufacturing jobs that provide a true bridge to the middle class for American workers and their families.*