

April 24, 2023 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.J. Res. 39 – A Joint Resolution Disapproving the Rule Submitted by the Department of <u>Commerce relating to "Procedures Covering Suspension of Liquidation, Duties and</u> <u>Estimated Duties in Accord With Presidential Proclamation 10414</u>" (Rep. Posey, R-FL, and 10 cosponsors)

The Administration strongly opposes H.J. Res. 39, which would disapprove a rule issued by the Department of Commerce (Commerce) that temporarily suspends the collection of certain duties on imports of solar cells and modules from four Southeast Asian countries: Cambodia, Malaysia, Thailand, and Vietnam.

For too long, unfair trade practices and underinvestment in domestic manufacturing have left the United States dependent on imports for solar power products that are important for reducing energy costs for consumers, improving public health, and combating climate change. From day one, the President has prioritized investments that will create good-paying jobs and build secure supply chains in the United States, including for solar energy.

The Administration is working aggressively to support domestic solar panel manufacturing. Thanks to the President's Investing in America agenda, more than 90 GW of private-sector investments in U.S. solar manufacturing have been announced since the President took office, with about half of that coming in just the seven months since the passage of the Inflation Reduction Act. America is now on track to increase domestic solar panel manufacturing capacity eight-fold by the end of the President's first term.

However, these investments will take time to ramp up production—which is why last spring, the President declared an emergency to ensure that Americans have access to reliable, affordable, and clean electricity. The Commerce rule implements this declaration by creating a temporary, 24-month bridge for the import of certain solar cells or modules. This rule is necessary to satisfy the demand for reliable and clean energy while ensuring Commerce is able to rigorously enforce U.S. trade laws, hold trading partners accountable, and defend U.S. industries and workers from unfair trade actions. Passage of this joint resolution would undermine these efforts and create deep uncertainty for jobs and investments in the solar supply chain and the solar installation market.

The Commerce rule provides a short-term bridge to ensure there is a thriving U.S. solar installation industry ready to purchase the solar products that will be made in these American factories once they are operational. Given the strong trends in the domestic solar industry, the President does not intend to extend the tariff suspension at the conclusion of the 24-month period in June 2024.

If Congress were to pass this joint resolution, the President would veto it.
