

# United States Senate

WASHINGTON, DC 20510

October 24, 2024

The Honorable Katherine Tai  
U.S. Trade Representative  
Office of the United States Trade Representative  
600 17<sup>th</sup> St. NW  
Washington, D.C. 20508

Dear Ambassador Tai:

We write regarding the Section 301 petition filed by Facing Fentanyl, Inc. – a national coalition of over 200 fentanyl awareness organizations and thousands of families – to request that the Administration impose trade countermeasures on the People’s Republic of China (PRC) given the fact that “its government and companies—[are] engaged in a devastating and unrelenting attack on the United States through the export of illicit fentanyl, a lethal poison.”<sup>1</sup> Illicit fentanyl and its precursors have not only caused irreparable harm to the health of American families and communities, but also to the health of our economy. In light of these harms, we write in strong support of this petition and encourage its full and fair evaluation.

Nothing happens in the PRC without express approval of its government – making the ongoing, unrelenting manufacture and shipment of fentanyl and its precursor chemicals a direct, government-sponsored assault on the American people.<sup>2</sup> The Chinese government directly subsidizes the production of illicit fentanyl materials through tax rebates, awards grants to companies openly trafficking illicit fentanyl online, and holds ownership interests in companies trafficking illicit fentanyl materials. In other words, China’s state-sponsored policy is to profit from Americans’ deaths. As Senators who represent thousands of families deeply impacted by illicit fentanyl, we have seen that fentanyl doesn’t just hurt the health of our states’ population, it also leaves economic destruction in its wake. This problem requires a whole of government approach to combatting China’s unfair and harmful strategies intended to harm the American public and economy.

As you know, Section 301 tariffs are imposed when a foreign nation engages in unfair trade practices – in essence, when another country cheats at the rules of international trade. The United States has repeatedly imposed Section 301 tariffs upon the PRC due to a recurring and ongoing practice of trade distorting behavior, including in 2018 to combat unfair trade practices regarding technology transfer, intellectual property, and innovation. This petition represents a critical next step in addressing China’s trade cheating.

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<sup>1</sup> [https://ustr.gov/sites/default/files/Facing%20Fentanyl%20301%20Petition\\_Part1\\_A\\_\(Narrative\)%20\(1\).pdf](https://ustr.gov/sites/default/files/Facing%20Fentanyl%20301%20Petition_Part1_A_(Narrative)%20(1).pdf)

<sup>2</sup> [https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/The%20CCP's%20Role%20in%20the%20Fentanyl%20Crisis%204.16.24%20\(1\).pdf](https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/The%20CCP's%20Role%20in%20the%20Fentanyl%20Crisis%204.16.24%20(1).pdf)

The impacts of the fentanyl crisis are felt in every community and across the United States, which has the highest rate of fentanyl overdose deaths of any high-income country.<sup>3</sup> On average, fentanyl kills 200 Americans daily, and has killed nearly 75,000 people in the last year alone. This loss of life is first and foremost tragic and devastating, and it is directly due to the PRC's support and subsidies for the production and export of fentanyl and the chemicals that can be used to make the deadly drug. The result is that China has "cornered the market" on fentanyl.<sup>4</sup> It is the source of 97 percent of the world's fentanyl, and it designed this poison to be more lethal and undetectable – with the result being that many killed by fentanyl had no idea they were ingesting this drug.<sup>5</sup>

In addition to widespread overdose deaths, the prevalence of fentanyl has had an enormously detrimental effect on the United States economy.<sup>6</sup> The strain on the healthcare system and the diversion of law enforcement resources all contribute to an extreme burden on United States commerce. These consequences directly stem from one source: the PRC's direct role in and support for the illicit fentanyl trade. Nearly all fentanyl precursors used to manufacture illicit fentanyl come from China. Significant work in Congress has been done to hold China accountable for these horrific policies. Earlier this year, Congress passed the *FEND Off Fentanyl Act*, which imposes new sanctions and anti-money laundering penalties targeting the illicit fentanyl supply chain. Diplomatic efforts should be acknowledged as well. We have even seen a welcome decline in the number of unintentional overdose deaths in America, but this reprieve will not last without action.

These are important steps, but more must be done. A whole-of-government approach is necessary to stop the fentanyl crisis, hold China accountable, and save lives. This petition offers new opportunity to enforce U.S. law to protect American citizens and our economy. Through Section 301 of the Trade Act of 1974, USTR has an opportunity to directly address the root of over 97 percent of the illicit fentanyl coming into the U.S. Petitioners request trade countermeasures including: tariffs on specific manufacturers and broad sectors that are complicit in fentanyl production, mobile application restrictions, outbound investment restrictions, and complete closure of the *de minimis* loophole. Every available tool should be considered to help our nation grapple with this crisis.

Although the network of how fentanyl travels can be complex, the source is not. The manufacturing and distribution of illicit fentanyl that gets into our country is the active,

<sup>3</sup> <https://www.commonwealthfund.org/blog/2023/us-overdose-deaths-remain-higher-other-countries-how-harm-reduction-programs-could-help>

<sup>4</sup> <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/4.16%20The%20CCP's%20Role%20in%20the%20Fentanyl%20Crisis.pdf>

<sup>5</sup> <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/The%20CCP%27s%20Role%20in%20the%20Fentanyl%20Crisis%204.16.24%20%281%29.pdf>

<sup>6</sup> The Joint Economic Committee found that the opioid crisis cost the United States nearly \$1.5 trillion in 2020, which equates to 7 percent of gross domestic product (<https://www.jec.senate.gov/public/index.cfm/democrats/2022/9/jec-analysis-finds-opioid-epidemic-cost-u-s-nearly-1-5-trillion-in-2020>). In addition, the impact on the U.S. healthcare system is significant, with one analysis finding that opioid overdose treatment totaled \$1.94 billion annually (<https://www.premierinc.com/newsroom/press-releases/opioid-overdoses-costing-u-s-hospitals-an-estimated-11-billion-annually>).

conscious policy choice of the PRC. The government of the United States must fight back on behalf of the families and communities that have been devastated by this crisis using every tool we have. It is imperative that USTR carefully evaluate this Section 301 petition and take every step possible to hold to account those making and shipping this poison into the United States.

Thank you for your consideration of this critically important issue.

Sincerely,



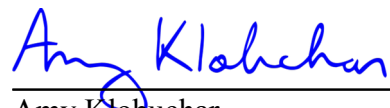
Sherrod Brown  
United States Senator



Tammy Baldwin  
United States Senator



Robert P. Casey, Jr.  
United States Senator



Amy Klobuchar  
United States Senator



Tina Smith  
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