

June 30, 2021

Chairman Gregory Meeks
House Foreign Affairs Committee
2170 Rayburn House Office Building
Washington, D.C. 20515

Ranking Member Michael McCaul
House Foreign Affairs Committee
2170 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Meeks and Ranking Member McCaul:

We write to you concerning [H.R. 3524 – Ensuring American Global Leadership and Engagement Act](#) – legislation that will be marked-up in HFAC on Wednesday, June 30.

On behalf of the 10,000 members of the American Nuclear Society (ANS), we request that you oppose any amendments to H.R. 3524 that would cut off U.S.–China nuclear energy cooperation.

China is projected to have the largest nuclear fleet in the world within a decade, and it's positioning itself to aggressively market its growing technology portfolio for export, including to newcomer nations around the globe. Of course, there is also ample evidence that, along the way, Chinese nuclear companies have engaged in illegal efforts to collect sensitive US nuclear intellectual property, seen most famously in the case of Allen Ho, who pleaded guilty in 2017 to “conspiracy to unlawfully engage or participate in the production or development of special nuclear material outside the U.S., without the required authorization from the U.S. Department of Energy (DOE), in violation of the Atomic Energy Act.”

Perhaps because of this, some in Congress have called for a total cessation of bilateral nuclear cooperation between China and the U.S. Recent legislation passed by the Senate, [S.1260 – Endless Frontiers Act](#) contains a provision (Section 2515) that restricts the U.S. government's ability to work on or agree to any nuclear cooperation activities with China or with any company owned by the Chinese government. Politically seductive though it may be, such a policy approach would ultimately do significant harm to America's ability to influence international nuclear safety and nonproliferation norms. Already, the 2018 U.S. Policy Framework on Civil Nuclear Cooperation with China precludes transfer of technology related to SMRs, advanced reactors and other technologies that were not already transferred before January 1, 2018. Do we really want to shut the door to all cooperation on operational safety issues, when an “accident anywhere” is still an “accident everywhere?”

The attached fact sheet expands on this position and provides a detailed look into the Senate provision.

Thank you for the opportunity to provide input. ANS stands ready to assist in any way it can. If you have any questions, please contact ANS Director of Public Policy, John Starkey at 907-360-2446.

Sincerely,

A handwritten signature in black ink, appearing to read "C. H. Piercy".

Craig H. Piercy
Executive Director/CEO
American Nuclear Society



CC: Rep. Brad Sherman
Rep. Albio Sires
Rep. Gerry Connolly
Rep. Ted Deutch
Rep. Karen Bass
Rep. Bill Keating
Rep. David Cicilline
Rep. Ami Bera
Rep. Joaquin Castro
Rep. Dina Titus
Rep. Ted Lieu
Rep. Susan Wild
Rep. Dean Phillips
Rep. Ilhan Omar
Rep. Colin Allred
Rep. Andy Levin
Rep. Abigail Spanberger
Rep. Chrissy Houlahan
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Rep. Andy Kim
Rep. Sara Jacobs
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Rep. Vicente Gonzalez
Rep. Brad Schneider
Rep. Chris Smith
Rep. Steve Chabot
Rep. Joe Wilson
Rep. Scott Perry
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Rep. Adam Kinzinger
Rep. Lee Zeldin
Rep. Ann Wagner
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Rep. Brian Fitzpatrick
Rep. Ken Buck
Rep. Ron Wright
Rep. Tim Burchett
Rep. Mark E. Green
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Rep. Peter Meijer
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Rep. Young Kim
Rep. Maria Elvira Salazar
Rep. Nicole Malliotakis
Rep. August Pfluger
Rep. Greg Steube
Rep. Claudia Tenney
Rep. Dan Meuser

Ending U.S. engagement with China on civilian nuclear energy issues creates significant harm and provides no benefit.

Section 2515 “Limitation on nuclear cooperation with the People’s Republic of China” of [S. 1260 \(the “Endless Frontiers Act”\)](#) restricts the ability of the U.S. Government to work or agree on any nuclear cooperation activities with the Government of the People’s Republic of China or with any company that is owned by that government. It will significantly harm the U.S. nuclear energy industry and broader U.S. interests, and provides no practical benefits.

U.S. exports to China are already strictly controlled. The U.S. maintains a robust export control regime for transfer of civil nuclear products, technology, software and technical assistance to China and Chinese nationals. All nuclear items require an export license from the U.S. Departments of Energy, Commerce or NRC prior to transfer to China and are subject to review by the Office of the Director of National Intelligence prior to license issuance.

The [2018 U.S. Policy Framework on Civil Nuclear Cooperation with China](#) precludes transfer of technology related to SMRs, advanced reactors and other technologies that were not already transferred before January 1, 2018. It also created prohibitions and strict evaluation standards for end users. And recently, additional restrictions were imposed.

China has the fastest growing nuclear fleet. With 50 reactors in operation and plans to double its number of reactors by 2033, China is on track to have the largest civilian nuclear energy fleet in the world. It is currently the third largest nuclear market and on track to become the largest within the decade. Their reactors include a mix of indigenously designed and imported reactors from countries such as Russia, France and the U.S.

Undermines nuclear safety cooperation. Nuclear safety is a global issue. With a best-in-class regulator and vast operational experience, the U.S. must maintain robust bilateral and commercial nuclear safety cooperation with nations that operate nuclear power reactors. Bilateral and commercial engagement on nuclear safety is especially important with China, which has a rapidly expanding nuclear fleet. Preventing nuclear cooperation undermines global nuclear safety.

Significant harm to the U.S. civil nuclear supply chain. Even with significant export restrictions, China represents a multi-billion-dollar market opportunity for a wide variety of U.S. firms in more than 20 states. Examples of exports include components and services for AP1000s being operated in China and for potential additional units, replacement parts for older operating reactors in China and fuel. The bill could shut U.S. suppliers out of the Chinese market and third countries where Chinese entities are increasingly present, harming U.S. national security and economic interests, and American workers.

Section 2515 undermines U.S. competitiveness. The restriction on U.S. Government engagement with China regarding nuclear issues would prohibit U.S. commercial advocacy and other vital trade support when industry runs into political or commercial problems in China.

Section 2515 closes the door on future business prospects. By preventing U.S.-China diplomatic engagement, future export licensing could be delayed or prevented due to requirements for retransfer and other government to government assurances.