Order Code RL30227

Trade Legislation in the 106th Congress: An Overview

Updated February 8, 2000

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ABSTRACT

This report provides an overview of trade legislation introduced in the 106th Congress. The first section describes the congressional role in the making of trade policy. The second section discusses issues and legislation affecting trade negotiating authority and trade agreements. The third and fourth sections analyze import and export-related legislation, respectively. The final section provides a listing and summary of selective trade bills introduced to date. This report will be updated on a regular basis. See the CRS home page for a wide variety of CRS products on trade issues.

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Summary

Congress is likely to vote on a number of major trade bills this year. The bills affect laws and policies that are intertwined with all three components of U.S. trade policy: trade agreements, imports, and exports.

Within 90 days of March 1, 2000, Congress is expected to vote on a joint resolution aimed at terminating U.S. participation in the World Trade Organization (WTO. The vote is triggered by Section 125 of the Uruguay Round Agreements Act, which requires the Administration to report on the "costs and benefits of the WTO agreement on U.S. interests." The debate over any resolution introduced may focus on the U.S. success in the WTO dispute settlement process, the openness of WTO procedures, and sovereignty-related issues under the WTO rules-based system.

A House-Senate conference is expected to take early action on the "Trade and Development Act of 1999," a substitute Senate amendment to H.R. 434 as passed by the Senate on November 3, 1999. In addition to deciding on a number of amendments adopted by the Senate, the conferees will have to reconcile differences in approaches between the two chambers for promoting trade in apparel and textiles with the countries of sub-Saharan Africa and the Caribbean. Most generally, the bills passed or reported out by the House provide more expansive trade benefits for textile and apparel products than the Senate-passed bill.

Sometime this summer Congress is expected to vote on China's trade status. If China is about to join the WTO this year, the vote likely would be on whether to grant China permanent Normal Trade Relations status. A wide-ranging debate may transpire, with many of the same interest groups that protested at last November's WTO Ministerial in Seattle expected to oppose China's accession to the WTO.

Other legislative actions could involve efforts to reform U.S. sanctions policy, as well as revamp the Export Administration Act of 1979 – the primary U.S. export control law. More than 100 pieces of legislation have been introduced that impose new sanctions, ease current sanctions, or overhaul the process that is used to impose sanctions. Of these, H.R. 1244 and S. 757 seek to clarify and revise procedures that both the Administration and Congress follow before enacting or imposing sanctions. Other bills (S. 1771 and H.R. 3140) would exempt agricultural commodities and medicine from unilateral sanctions. Deep divisions over existing sanctions imposed against Cuba make coalition-building on sanctions reform difficult, although the Senate leadership has indicated an intent to bring a reform bill to the floor this year.

The Senate Banking Committee reported out a bill (S. 1712) last September that revamps the Export Administration Act of 1979. The bill, which could reach the Senate floor for a vote this year, significantly reduces the number of items under export control, increases penalties for violators, and streamlines the licensing process. Bills (H.R. 850 and S. 798) that would significantly loosen export controls on encryption software could also reach the floor of both chambers this year.

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Trade Legislation in the 106th Congress: An Overview

Introduction

Congress is expected to vote on a number of major trade bills this year. The bills affect laws and policies that are intertwined with all three components of U.S. trade policy: international agreements, imports and exports. Most notably, these include votes on an expected joint resolution aimed at ending U.S. participation in the World Trade Organization, on an anticipated proposal to extend China permanent NTR status, and on a probable House-Senate conference agreement that would expand trade benefits for African and Caribbean countries. Bills that alter U.S. sanctions policymaking and revamp the Export Administration Act of 1979 could also see floor action in one or both chambers. In addition, a number of other bills affecting trade negotiations, trade remedy procedures, tariff preferences, and export promotion could also see some movement in the legislative process.

This report provides an overview of the trade legislation introduced to date. The first section describes the congressional role in the making of trade policy. The second section discusses issues and legislation affecting trade negotiating authority and agreements. The third and fourth sections analyze import and export-related legislation respectively. The final section provides a listing and summary of selective trade bills introduced to date. This report will be updated on a regular basis.

Congressional Role in Trade Policymaking

U.S. trade policy encompasses a wide array of government policies and laws that affect imports, exports, and negotiations to liberalize trade flows. Policies affecting imports through the lowering or raising of tariffs, duties, or other barriers determine the relative openness of the U.S. market to goods and services produced by foreign producers. Export policies both increase and restrict the sales opportunities of specific companies and industries. Negotiations to liberalize global trade are intended to make the U.S. economy more efficient and productive.

With constitutional responsibility to "regulate commerce with foreign nations" and "to lay and collect ...duties", Congress played the key role in the formulation and implementation of U.S. trade policy for the first 150 years of the Republic. This was an era when the tariff was the overriding trade issue and Congress dominated trade policymaking by periodically revising the tariff schedule, usually upward.

Since the passage of the highly protective Smoot-Hawley Tariff Act of 1930, Congress began to delegate much of its trade authority to the executive branch and

independent agencies. According to one scholar, this decision was based on the view that the executive branch was better positioned to balance the competing pressures of domestic companies and workers producing goods sensitive to import competition against the interests of consumers and those producing goods primarily for the export market.[1]

The willingness of Congress to continue to delegate its trade authority has depended, in part, on presidential responsiveness to congressional sentiments. A President who fails to enforce U.S. trade law or implement trade agreements as vigorously as Congress wishes may invite legislation limiting future presidential discretion in the trade arena.

Ingrained differences in institutional perspectives often make it difficult for the two branches to see eye to eye on trade policy. A major difference is that the disparate priorities of local constituents are generally the paramount concern of each of the 535 elected Members of Congress, but U.S. international obligations and the broad national interest are frequently accorded a higher priority by the President and his cabinet. Although a Member of Congress is often pressed to promote specific trade objectives, often in response to real economic hardship or perceived inequities in his or her state, presidential actions can reflect broader foreign as well as domestically focused interests.

Over the past 50 years, Congress has refrained from enacting laws that would tightly insulate the U.S. market from foreign competition, and has actively cooperated with successive Presidents in dismantling U.S. and foreign restrictions to world trade. This cooperation has included approval of nearly all trade initiatives submitted by the executive branch, together with active consultations and oversight on the implementation of trade agreements entered into. At the same time, Congress has also periodically modified various U.S. trade laws to increase incentives for the President to take strong actions against foreign unfair trade practices and to provide swift relief to those domestic producers hurt by import competition.

Cooperation between Congress and the President has depended on an implicit bipartisan political consensus to support policies and programs that would help both the "winners" and "losers" from international trade. As some workers benefit directly from an expansion of exports and some workers lose from a rising level of imports, this consensus has depended on policies and programs that would alleviate the pain of those hurt by imports and increase opportunities for those helped by exports. Generally, this has translated into agreement to support rigorous implementation of fair and unfair trade practices laws in a manner that would help import sensitive companies and workers adjust to increased international competition in return for their political support for further trade liberalization by extending negotiating authority.

The fact that no new negotiating authority has been passed by Congress since 1992 has led to much speculation that the consensus that has governed U.S. trade

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[1] Destler, I.M. *American Trade Politics*. Washington, D.C., Institute for International Economics, 1995.

policy for the past 60 years has frayed or evaporated. This questioning, in turn, is at the heart of much of the debate surrounding legislation involving negotiating authority, trade agreements, and imports in the 106th Congress.

Legislation pertaining to both the promotion and restriction of exports depends on a substantially different set of policy considerations and mix of policymakers than legislation concerning imports. Revelations concerning China's effort to steal or otherwise acquire militarily sensitive technology are likely to affect long-delayed legislation to re-write U.S. export control laws.

The House Ways and Means and Senate Finance Committees are the central actors on most all issues affecting trade negotiations and imports. Jurisdiction over trade agreements, export policy, agricultural trade, and many specialized areas, such as intellectual property or competition policy, are scattered among the agriculture, appropriations, armed services, banking, commerce, international relations, and judiciary committees of both chambers.

Because many contemporary trade barriers are intertwined with domestic policies and because trade has accounted for a growing share of U.S. economic activity in the last decade, instances of overlapping jurisdiction are not uncommon. In the case of conferences on large omnibus trade bills, such as the Uruguay Round Agreements Act of 1994, the list of standing committees not involved in some way with trade issues is often shorter than those that are.

Trade Negotiating Authority and Agreements

Congress, beginning with the Reciprocal Trade Agreements Act of 1934, has authorized the President to negotiate reductions in trade barriers on a reciprocal basis. The delegations of authority always have prescribed objectives and time limitations. The Trade Expansion Act of 1962, for example, authorized the President to negotiate reductions in tariffs up to 50% for five years.

Since 1974, Congress has authorized the President on five different occasions to negotiate reductions in tariffs, as well as nontariff barriers (NTB's) subject to fast-track authority. In return for regular consultations and timely notification on the part of the executive branch, fast-track allows the Congress to consider legislation implementing trade agreements negotiated by the President within a limited time period and with no amendments.[2]

Many policymakers maintain that a tacit assurance Congress will not demand changes in trade bargains and compromises struck by the President is indispensable for persuading trading partners to engage in substantive negotiations. Although foreign countries in the past have agreed to begin trade negotiations without fast track in place, this viewpoint is that foreign countries are unlikely to make sensitive concessions in trade talks if they are unsure that U.S. negotiators can fulfill their own

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[2] For full discussion, see CRS Report RS20039, *Fast-Track Implementation of Trade Agreements: The Debate Over Reauthorization*, by George D. Holliday.

market opening commitments. Legislation implementing major multilateral trade agreements such as the Uruguay Round Agreements Act of 1994 and free trade agreements such as the North American Free Trade Agreement (NAFTA) Act of 1993 were enacted by Congress under fast-track procedures.

Fast track implementing authority expired in 1994, and subsequent efforts to renew the authority have been unsuccessful. In November 1997, then House Speaker Newt Gingrich and President Clinton agreed to postpone a vote on a fast-track proposal when it appeared the proposal lacked majority support in the House. In September 1998, the House defeated by a vote of 243-180 a fast-track bill (H.R. 2621) that was supported by the Republican leadership.

The fact that fast-track negotiating authority has not been re-authorized for over six years is puzzling to many observers in light of the robust performance of the U.S. economy today. Historically, good economic times have been favorable for undertaking trade liberalization initiatives because new job and business opportunities are abundant.

Multiple Causes of Fast-Track Stalemate

A combination of substantive, partisan, and attitudinal differences help explain why a bipartisan majority in favor of a fast-track bill has not developed. The substantive divisions most prominently relate to the treatment of labor and environmental standards in future trade agreements. Many union and environmental leaders maintain that future trade agreements should contain strong labor and environmental standards to ensure that U.S. companies are not enticed to move overseas, particularly to developing countries, where labor and environmental regulations are not as restrictive. These leaders particularly want enforceable standards whereby governments can bar imports of products whose production violates these standards.[3]

Many business leaders, on the other hand, believe that labor and environmental standards should be addressed in different fora (e.g., the International Labor Organization) and in different ways. They are worried that enforceable sanctions built into future trade agreements could disrupt trade and investment relationships with developing countries. They also suspect that demands for such sanctions are often motivated by protectionist aims.

These substantive differences have become intertwined with partisan political considerations. On the one hand, a large number of Democrats share the position of labor and environmental groups. Some are also concerned, along with a segment of the Republican Party, that increased competition with developing countries will inevitably force American workers to lower their living standards (the so-called "race to the bottom") in order to compete against countries that have lower wages and

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[3] For background, see CRS Report 97-879, *Environment in Fast-Track Authority: Summary of the Clinton Administration Proposal*, by Susan R. Fletcher and CRS Report 97-272, *Worker Rights and U.S. Trade Policy: WTO Singapore Ministerial and Fast-Track Extension*, by Mary Jane Bolle.

standards. On the other hand, many Republicans have supported the position of business that opposes such international rules and some regard any trade agreement that includes them as worse than no agreement at all. Some also tend to believe that differences between countries in wages and standards provide the basis for achieving real gains from specialization in production and trade.

The fast-track controversy has also merged into the debate about what can be done to allow the United States to reap the benefits of globalization while dealing with some of the negative side-effects. Rapid flows of goods, capital, and technology across borders may provide economy-wide benefits, but deeper integration has also been accompanied by a sense of anxiety among a seemingly larger segment of the American work force. Media reports about the large and growing trade deficits and about free trade agreements with Latin America and Asia may be contributing to public concern about trade and be reflected in the congressional debate on fast track authority. Although the anxiety perhaps could be allayed by stronger retraining and adjustment assistance programs, the concerns appear deeply intertwined with the way a more globalized economy threatens job security and allegedly places downward pressures on wages and benefits. One scholar suggests that these anxieties may also be bound up with a variety of other forces that are transforming the employment relationship in the United States, including de-regulation, de-unionization, and the weakening of social safety nets.[4]

Disputed Consequences of Fast-Track Stalemate

The effects of the fast track stalemate on U.S. interests are controversial. One school of thought judges that the absence of fast track is having serious and immediate adverse effects on U.S. commercial interests and leadership. A second school of thought maintains that the costs of not having fast-track at the current time are greatly overestimated, particularly since the Administration has not been entirely prevented from advancing its trade agenda over the past two years.[5]

Those who urge an extension of fast-track authority as soon as possible believe that U.S. efforts to negotiate new market opening trade agreements worldwide are being hurt by the absence of fast-track authority. They point to Chile's decision in 1995 to walk away from negotiations to accede to NAFTA as evidence of this point. They also fear that on-going negotiations to create a Free Trade Area of the Americas (FTAA) and an Asian Pacific Economic Community (APEC) are moving slowly because foreign countries are reluctant to put tangible market opening offers on the table when they do not have a high degree of assurance that the United States will deliver on its market opening concessions. To the extent that the pace of these negotiations is retarded by the absence of fast-track, they believe opportunities to expand U.S. exports will be reduced.

Supporters for a quick renewal of fast-track are concerned about developments that could negatively affect U.S. global trade leadership. They worry that failure to

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[4] Rodrik, Dana. *Has Globalization Gone Too Far?* Institute for International Economics, Washington, D.C. 1997.

[5] For further discussion, see Schott, Jeffrey J. *Restarting Fast Track*. Institute for International Economics, Washington, D.C. 1998.

pass fast-track is a powerful symbol of a U.S. retreat from global leadership in opening markets worldwide and that this perception could encourage various forces at home and abroad to seek an increased level of protection from foreign competition. They also worry that if free trade arrangements mushroom worldwide without U.S. participation, U.S. exports will be discriminated against by the proliferation of a web of discriminatory and preferential trade rules.

A contrary perspective is that absence of fast-track has not affected the pace of U.S. market opening negotiations in any decisive manner. In the case of the FTAA, proponents of this view believe that although the U.S. ability to shape the negotiating agenda may have been adversely affected by the absence of fast-track, other factors, such as Brazil's economic crisis and divergent country interests, best explain why these negotiations are proceeding relatively slowly. In the case of APEC, which has a 2010 target completion date, they argue that any significant market opening negotiations are so far in the future that the absence of fast-track is pretty much irrelevant. Regarding the effort to launch a new round of multilateral negotiations under the auspices of the WTO, this viewpoint emphasizes that fast-track in the past has been relevant to implementing the results, not in initiating a new round.

The "no urgency for renewal" perspective also argues that even if the absence of fast-track has undermined negotiations with Chile and slowed down the FTAA negotiations, the effects on U.S. exports are unlikely to be very significant since the countries affected account for only 7% of U.S. exports. More generally, this perspective judges that the gains today from additional trade liberalization are more limited than commonly touted and that the risks of a serious increase in protection overrated.

In addition, some Members and interest groups oppose fast-track procedures at this time under any conditions. One reason for their opposition is a belief that fast-track procedures are an abdication of the Congress's constitutional responsibility to regulate foreign commerce. Some holding this view basically oppose the establishment of new free trade agreements fearing they will lead to a flood of new imports and produce limited export opportunities.

Outlook for Fast-Track Legislation

To date, little has happened to indicate that the political stalemate will be overcome any time soon. The Clinton Administration's position on fast-track has remained mostly passive, most business associations and organized labor and environmental groups remain at loggerheads over the issue, and there is no clear-cut or overwhelming immediate need for a fast-track renewal. Despite a strong economy, the politics of this year's presidential election cycle may further complicate efforts to break the stalemate.

Although President Clinton called for renewal of fast-track in his January 1999 State of the Union Address (and most recently in a June 12, 1999 commencement address at the University of Chicago), the Administration did not follow up its stated support for fast-track by actively trying to forge a consensus fast-track proposal through systematic consultations with Congress or by submitting to Congress a fast-track proposal of its own in 1999. While National Security Adviser Sandy Berger

stated on January 6, 2000, that the White House is prepared to work with the Congress to pass fast-track negotiation authority in 2000, he also noted that the congressional vote to extend China permanent NTR status was the administration's top legislative priority in the trade arena this year.[6]

The Administration's apparent decision not to make fast-track renewal a high legislative priority again this year could reflect an assessment that it would be an uphill struggle. For example, if the Administration decided to support a fast-track approach that included enforceable labor and environmental standards in order to attract Democratic votes, it could stand to lose many Republicans that voted for the 1998 bill (H.R. 2621). Or if the Administration chose to support a bill that excluded enforceable standards in order to attract more Republican votes, it could be again opposed by a majority of House Democrats as well as organized labor, a traditional core support group of the Democratic Party. If fast-track is not a top legislative priority of the Administration, even introduction of comprehensive bills in the Congress remains problematical.

In the absence of comprehensive fast-track legislation being introduced in either house to date, several free standing resolutions and bills have been introduced. H.Res. 96 (Traficant) amends the rules of the House to require a two-thirds vote on any bill or joint resolution that either authorizes the President to enter into a new trade agreement or implements a trade agreement pursuant to fast-track procedures. S. 111 (Gramm) authorizes fast-track procedures for the negotiation of Chile's accession to NAFTA, and S. 112 (Gramm) authorizes fast-track procedures for negotiation of free trade agreements with the countries of the Americas. S. 1065 (Dodd) authorizes fast-track for the negotiation of Chile's accession to NAFTA. In addition, three bills introduced by Senator Baucus (S. 1869, S. 1870, and S. 1871) authorize the negotiation of free trade agreements with Korea, Singapore, and Chile, respectively, as well as provide expedited consideration of such agreements.

Other Legislation Affecting Trade Negotiations and Agreements

A number of bills also have been introduced that affect U.S. trade negotiations and agreements in varied ways. Some require a larger congressional role and others attempt to influence U.S. policy on a number of issues more indirectly.

Several bills introduced provide for a larger congressional role concerning negotiations on China's accession to the World Trade Organization (WTO). H.R. 884 (Gephardt) and S.743 (Hollings) would require congressional approval before the United States could support the admission of China into the WTO. H.R. 884 and S. 743 would also provide for the withdrawal of the United States from the WTO if China is accepted into the WTO without the support of the United States.[7] S. 742 (Grassley) would clarify the requirements for China's accession to the WTO, including enhanced consultation requirements with Congress. The Administration is

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[6] *International Trade Reporter*, " Administration Willing to Discuss Fast Track If Consensus Exists for Passage, Berger Says," January 13, 2000.

[7] For full discussion, see CRS Report RS20139, *China and the World Trade Organization*, January 24, 2000, by Wayne M. Morrison.

opposed to prior congressional approval of a WTO agreement with China but might support some form of enhanced consultation requirements.

Two bills focus, in part, on agricultural trade negotiations. H.R. 817 (Ewing)/S. 101 (Lugar) and S. 566 (Lugar) seek, among other objectives, to prepare the United States for future bilateral and multilateral agricultural negotiations. In addition, the Senate-passed "Trade and Development Act of 1999" included an amendment outlining U.S. objectives to include the elimination of export subsidies and increasing opportunities for agricultural negotiations in the WTO.

Various Members of Congress remain concerned about the impact NAFTA is having on U.S. jobs and the environment. H.R. 650 (Rivers) calls for assessing the impact of NAFTA on the environment and jobs, and requires the President to submit annual reports to Congress certifying that each NAFTA country is meeting obligations under the labor and environmental side agreements.

Legislation has been introduced to affect the organization or process (or both) by which the executive branch makes trade policy. S. 80 (Snowe) establishes the position of Assistant United States Trade Representative for Small Business and S. 185 (Ashcroft) and H.R. 3173 (Hulshof) establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative – a provision that was adopted as an amendment to the Senate-passed "Trade and Development Act of 1999." S. 1395 (Baucus) would require the USTR to appear before certain congressional committees to present the annual national trade estimate. S. 1585 (Baucus) would establish a Congressional Trade Office.

In addition, a vote on a joint resolution calling for the U.S. to leave the WTO is expected to be taken within 90 days after March 1, 2000. That is the date required by Section 125 of the Uruguay Round implementing legislation for the Administration to submit a report to Congress assessing U.S. costs and benefits under the WTO. If passed, most observers believe the resolution would face a likely presidential veto, which would require a two-thirds majority in both houses to override. Nevertheless, this provision is likely to occasion a major congressional debate concerning U.S. trade policy.[8]

Import-Related Legislation

U.S. policies affecting imports tend to be shaped largely by a mixture of economic principles and practical political considerations. Unanticipated events and broader foreign policy considerations also serve to influence the development of specific policies from year to year.[9]

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[8] See CRS Report RS0422, *United States' Withdrawal from the World Trade Organization: Legislative Procedures*, December 28, 1999, by Vladimir Pregelj.

[9] For full discussion, see Cohen, Stephen D., Paul, Joel R., and Robert A. Becker. *Fundamentals of U.S. Foreign Trade Policy*. Westview Press, 1996.

The case for maintaining a relatively open market for the purchase of foreign goods and services rests on the view that imports provide multiple economic benefits. For consumers, imports provide goods that are often available at lower prices or simply not produced in the United States. Consumers may also buy imported goods because they are perceived to be of higher quality than comparable U.S. produced goods. Foreign goods also can benefit U.S. companies by providing needed inputs at lower prices and by encouraging cost-cutting and innovation.

Decisions to deviate from the economic rationale for maintaining relatively open policies towards imports usually rest on practical political considerations. Although consumers and many producers benefit from having access to imported goods and services, some workers can lose their jobs and some companies can go out of business due to rapid increases in imports that compete head-to-head with domestic production. Given that foreigners do not vote in domestic elections and that society as a whole still benefits even when specific groups are hurt by imports, international as well as domestic rules have been established to provide temporary relief to those hurt or injured by import competition. These rules also stipulate various measures or barriers governments may employ, depending in large part on whether the import competition being curbed is considered "fair" or "unfair."

U.S. government policies that affect the relative receptivity or openness of the U.S. market to imports are also affected from year to year by unanticipated events and broader foreign policy objectives. A large and growing U.S. merchandise trade deficit, for example, may increase demands for protection from import competition as the number of companies and workers hurt by imports increases relative to those helped by exports. But efforts to forge closer economic and political ties with specific regions or countries can also lead to more open or less restrictive policies via the extension of preferential access to the U.S. market.

Congressional actions to date reflect the interaction of these basic forces in five legislative categories: (1) protection of American industry from import competition; (2) reform of the trade remedy laws; (3) extension of tariff preferences generally, as well as for specific regions/countries; (4) extension of normal trade relations (NTR) status to specific countries; and (5) miscellaneous tariff measures.

Protection for American Industry

Since the passage of the protective Smoot-Hawley Tariff Act of 1930, Congress has shown reluctance to pass legislation that protects American industry across the board or that directly protects specific U.S. industries. Historically, support for bills that provide direct protection for U.S. industry has come against a backdrop of surging imports and a perception that the Administration has not taken sufficient actions to deal with the distress. For example, in 1985 congressional support intensified for an across-the-board surcharge on imports and increased protection for the textile and apparel industry amid a rising trade deficit and a non-interventionist trade policy pursued by the Administration. In response to the threat of legislated protection, the Reagan Administration engineered the Plaza Agreement to bring down the value of the dollar and announced new actions designed to fight "unfair trade practices." These actions, in turn, diluted support for legislative remedies.

In the first session of 106th Congress, proposals to provide import protection for the steel industry were actively considered. Fueled by a surge in steel imports and perception that the Clinton Administration was not taking strong enough actions to deal with unfair trade competition, the House by a vote of 289-141 approved on March 19, 1999 a bill (H.R. 975) introduced by Representative Visclosky that would impose quotas on steel imports for three years. Sen. John D. Rockefeller introduced a nearly identical bill (S. 395) on the Senate side.[10]

On June 21, 1999, the Senate voted 57-42 not to limit debate on S. 395, effectively killing further action on import quotas for steel. The Clinton Administration had lobbied heavily against quotas, on the grounds that they would violate U.S. international trade obligations.

Prior to the cloture vote on steel import quotas, the Senate on June 18 approved by a vote of 63-34 a provision establishing a $1.5 billion loan guarantee program for the steel, oil, and gas industries as part of H.R. 1664, a supplemental appropriations bill. The bill, which was passed by the House on August 4 by a vote of 246-176 (H.R. 1664), provides for loans to individual steel companies of up to $250 million. On August 17, 1999, President Clinton signed into law (P.L. 106-51) the loan guarantee program.

A number of bills have have been introduced in the 106th Congress that would impose additional country-of-origin labeling requirements on meat products, fruits, and vegetables at the retail level. Bills covering meat products include H.R. 222 (Chenoweth), H.R. 1144 (Chenoweth), S. 242 (Johnson), and S. 251 (Enzi). A separate bill affects fruits and vegetables (H.R. 1145 (Chenoweth.) The proposals might provide U.S. beef producers with an advantage by increasing foreign marketing costs and perhaps increase sales by bolstering consumer awareness of which meat products are domestic and which are foreign. The House and Senate Agriculture Committees respectively have held hearings on these bills, which are opposed by processors and packers, on April 28, 1999 and May 26, 1999.

Reform of the Trade Remedy Laws and Programs

Saying "no" to constituent requests for assistance is never easy. Congress generally directs pressures for import protection to one of two laws. Section 201 of the Trade Act of 1974 , the so-called "escape clause", provides relief for industries injured by competition from "fairly" priced imports. When injury occurs as a result of imports of subsidized or dumped goods ("unfair" trade practices), U.S. industries are often directed to avail themselves of the countervailing duty and antidumping statutes. As laws that provide limits to the damage or injury that can be inflicted by both fair and unfair import competition, they are periodically amended by Congress in an effort to provide more certain and expedited relief to U.S. industries that are struggling due to increased foreign trade competition. Since 1962, a trade adjustment

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[10] For analysis of the quota bill and other steel-specific proposals, see CRS Issue Brief IB10023, *Steel Imports: Effects on U.S. Industry and Proposed Legislative Remedies*, by Gwenell L. Bass.

assistance program has also been available for workers and firms that have been adversely impacted by import competition.

Several bills that have been introduced — H.R. 412 (Regula), H.R. 1120 (Levin), S. 1008 (Baucus), H.R. 1505 (English), S. 261(Specter), and S. 1254 (Roth) — would make the provision of import relief easier under Section 201. Some of these bills do this by lowering the so-called "causation standard" for finding cause of injury in Section 201 cases, by limiting the flexibility of the President not to provide import relief, and by narrowing the definition of what constitutes an industry for the purposes of import relief.

Seven bills introduced — H.R. 842 Regula), H.R. 1505 (English), H.R. 1201 (Regula), H.R. 3198 (English), S. 61 (DeWine), S. 528 (Specter), and S. 1254 (Roth) —amend the countervailing and antidumping statutes. H.R. 1505, among other provisions, would ease statutory criteria for the imposition of retroactive duties and for making injury determinations. H.R. 3198 provides that the provisions relating to countervailing duties apply to non-market economies. H.R. 842, H.R. 1201, and S. 61 would distribute the money collected from antidumping and countervailing duties to petitioners. S. 528 would allow private parties to launch court challenges to stop unfairly priced imports. S. 1254 allows domestic industry, under certain circumstances, to prevent the Department of Commerce from negotiating agreements that suspend antidumping and countervailing duty cases.

During 1999 the Administration indicated that it would work with Congress to arrive at some modifications of the trade remedy statutes. In a March 23, 1999 hearing before the Senate Finance Committee, USTR Barshefsky agreed that there should be an examination of whether these statutes can be made more effective within the framework of international rules. On August 4, 1999, President Clinton stated he would work with the steel industry to pass trade law changes that are consistent with the WTO.[11] Yet, momentum for pushing ahead on trade law reforms appears to have declined in the early months of 2000.

Congress in 1999 did extend for two years the three elements of the Trade Adjustment Assistance (TAA) program. These include programs for workers and firms, as well as a Transitional Program set-up under NAFTA. The extensions through September 30, 2001 were part of an omnibus appropriations bill that passed the House and Senate on November 18 and 19, 1999, respectively. In addition, the Senate-passed "Trade and Development Act of 1999" incorporates two TAA-related amendments. One extends the TAA program to farmers hurt by import competiton and a second reduces the certification time allowed for textile workers.

Extension of Tariff Preferences

The 106th Congress has considered several proposals that would both extend existing tariff preferences and grant new tariff preferences to specific regions. Specifically, they include proposals to extend the U.S. Generalized System of

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[11] *Inside U.S. Trade*, "Clinton Signals Possible Support For Trade Law Changes To Industry," August 7, 1999.

Preferences (GSP), enhance the treatment of textiles and apparel under the GSP benefits provided sub-Saharan African countries, and enlarge tariff benefits provided under the Caribbean Basin Interim Trade Program.

The U.S. GSP program provides duty-free treatment to certain products that are imported from designated developing countries. The primary purpose of the program is to stimulate the economic development of these countries through an expansion of their exports. In November 1999, Congress extended the program retroactively from June 30, 1999 to September 30, 2001 at a total cost of $798. The legislation was signed into law on December 17, 1999 (P.L. 106-170).[12]

As part of broader measures designed to expand the U.S. trade and investment relationship with sub-Saharan African countries, Congress also considered several proposals that would enlarge the GSP benefits provided these countries. H.R. 434 (Crane), the African Growth and Opportunity Act (AGOA), and S. 666 (Lugar), a companion bill, would allow the President to grant GSP treatment for more products (including textiles and apparel). S. 1387 (Roth), the Africa Growth and Opportunity Act, is similar in many ways to H.R. 434 and S. 666 except primarily for treatment of textiles and apparel. H.R. 772 (Jackson), the HOPE for Africa Act, would provide similar GSP treatment, but extend this benefit without eligibility criteria.

After being reported out by both the House International Relations Committee and the House Ways and Means Committee early in 1999, H.R. 434 passed the House (234-163) on July 16, 1999 with amendments. On the Senate side, S. 1387 was reported out of the Finance Committee by voice vote on June 22, 1999, and was incorporated into the Senate Majority Leader's substitute amendment, which passed the Senate on November 3, 1999 as a substitute amendment to H.R. 434.[13]

The major difference between House-passed bill and S. 1387 concerns treatment of textiles and apparel. H.R. 434 provides for more liberal duty-free and quota-free benefits by allowing beneficiary goods to be produced with regional fabric, while the S. 1387 restricts trade benefits to goods produced with U.S. fabric. A House-Senate conference will have to reconcile these differences in approaches for promoting trade with Africa, along with similar differences in treatment of trade preferences for the the Caribbean Basin countries.

On the House side, Title I of H.R. 984 (Crane), introduced as the Caribbean and Central American Relief and Stabilization Act, would provide Caribbean Basin countries with essentially the same tariff treatment that Mexico receives under NAFTA. The House Ways and Means Committee reported out H.R. 984 on June 10, 1999, by voice vote with amendments.

On the Senate side, Title I of S. 371 (Graham) introduced as the Central American and Caribbean Relief Act, provides somewhat more restrictive tariff benefits than the House bill, particularly for textiles and apparel. The Senate Finance

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[12] See CRS Report 97-389, *Generalized System of Preferences*, by William H. Cooper.

[13] See CRS Issue Brief 98015, *African Trade and Investment Proposals in the 106th Congress*, by Theodore Dagne and Lenore Sek.

Committee reported out S. 1389 (Roth) on June 22, 1999, a bill that would extend CBI benefits from October 1, 1999, to December 31, 2004, at a cost of $1.43 billion. This bill was also incorporated into the Senate Majority Leader's substitute amendment to H.R. 434.

S. 1389 is more restrictive than H.R. 984 in that benefits would be extended for cutting and assembly of textile and apparel products only made from U.S. fabrics and yarn. H.R. 984, on the other hand, allows duty-free treatment for some items that are made of regional fabric, as well as non-regional (e.g. Asian materials). S. 1389 has more stringent eligibility conditions (such as adherence to WTO and intellectual property standards) than H.R. 984 as condition for receiving benefits. These differences will be dealt with in the House-Senate conference on H.R. 434 this year.[14]

Extension of Normal Trade Relations Status

The United States grants most its trading partners most-favored-nation treatment. (The 105th Congress required that the term MFN be replaced by "normal trade relations.") This means that as a general rule any trade benefits or concessions the United States gives to one trading partner, it automatically grants to all others. For a variety of legal and historical reasons, every Congress considers some legislation to restore, extend, or suspend NTR treatment to specific countries. In the 106th Congress, legislation has been introduced to authorize the extension of NTR status to Mongolia (S. 354/Craig), to Kyrgyzstan (H.R.1318/Dunn and S. 332, Brownback) and to Albania (H.R. 2746). Amendments to the Senate-passed "Trade and Development Act of 1999" include authorization of permanent NTR status for Albania and Kyrgyzstan. Bills affecting the temporary NTR status of China and Vietnam's access to government credits were acted on in 1999, while a bill providing permanent NTR treatment for China is likely to be considered sometime this year.

Following President Clinton's recommendation of June 3, 1999, to renew China's Jackson-Vanik waiver (and NTR status) for a year (Presidential Determination 99-28), the House defeated H.J.Res 57 on July 27, 1999, by a vote of 260-170. H.J.Res. 57 and its identical Senate counterpart, S.J.Res. 27, would have disapproved the president's renewal of the waiver from the Jackson-Vanik provision of the 1974 Trade Act. On July 20, 1999, the full Senate rejected by a vote of 87-12 an attempt to force a debate on the resolution on the Senate floor.[15]

The House on August 3, 1999, backed continuation of Vietnam's access to U.S. credit or investment guarantees for U.S. exports for one year by a vote of 297-130. H.J.Res. 58 would have disapproved the President's waiver of the Jackson-Vanik provisions. Combined with the Administration's conclusion on July 24, 1999 in principle of a bilateral trade agreement with Vietnam, Congress later this year may

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[14] See CRS Report RS20174, *CBI/NAFTA Parity Proposals: A Comparison*, by Vladimir Pregelj.

[15] See CRS Issue Brief 91121, *China-U.S. Trade Issues*, by Wayne Morrision.

consider a resolution granting Vietnam temporary NTR status if Vietnam signs the agreement.[16]

Congress is also likely later this year to consider legislation granting China permanent NTR status. One bill introduced to date, H.R. 577(Bereuter) , removes China from the Jackson-Vanik provisions of the 1974 Trade Act and provides permanent NTR status. Other bills, H.R. 884 (Gephardt) and S. 743 (Hollings) require prior congressional approval before China can be admitted as a member of the WTO. The Administration supports permanent NTR status for China in the context of a WTO accession package. Any vote is likely to be complicated by charges of Chinese efforts to steal or otherwise acquire sensitive U.S. military technology as well as continuing concerns about human rights violations within China.[17]

Miscellaneous Trade and Technical Corrections Act of 1999

On February 9, 1999, the House passed by a vote of 414-1 a miscellaneous tariff bill, H.R. 435 (Archer). A companion bill, S. 262 (Roth), had been reported out of the Finance Committee without amendment on February 3, 1999, and passed by the Senate on May 27, 1999. The House agreed to the Senate version of the trade bill June 7, 1999, allowing President Clinton to sign the bill on June 25, 1999. The bill makes numerous technical corrections to trade statutes, provides a number of duty suspensions and reductions for specific products, and contains a provision aimed at settling a dispute with the European Union over textile labeling.

Export-Related Legislation

U.S. export policy entails a contradictory mix of efforts to both promote as well as restrict exports. Export promotion efforts are touted on the basis of their contribution to job creation and a healthy economy. Administration officials and export promotion advocates commonly emphasize the number of jobs associated with the production of goods for exports and the fact that they tend to be higher-paying and higher skilled jobs than average. The United States tries to promote or expand exports through the provision of subsidized finance to potential customers of U.S. goods, through financing and insuring U.S. overseas investments, through efforts to reduce trade barriers that restrict access of U.S. exports to foreign markets, and through provision of trade information and counseling.[18]

The objective of expanding U.S. exports collides constantly with a variety of sanctions, restrictions, and controls placed on U.S. exports to achieve a wide range of foreign policy and national security goals. The basic framework for restricting or

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[16] See CRS Report RL30416. *The Vietnam-U.S. Trade Agreement*, February 1, 2000, by Mark Manyin.

[17] See CRS Report RS20139, *China and the World Trade Organization*, January 24, 2000, by Wayne Morrison.

[18] For full discussion, see Cohen, Stephen D., Paul, Joel R., and Robert A. Becker. *Fundamentals of U.S. Foreign Policy*. Westview Press, 1996.

controlling most commercial exports is the Export Administration Act (EAA) of 1979. The EAA has been employed to control goods and technology whose sales or use abroad could be used by adversaries to harm the United States. It has also been used to promote the protection of human rights, and to punish certain countries for objectionable behavior (for example, state-sponsored terrorism and military aggression.) Exporters whose economic interests are adversely affected by the imposition of export controls and some Members of Congress have repeatedly attempted to lessen the President's discretion to impose export controls or exempt certain categories of products from control lists.

Many of these export policy issues are the subject of legislative activity in the 106th Congress. U.S. export promotion efforts have attracted a limited amount of legislation in the areas of export finance, insurance, and market access. The restrictive component of export policy is the subject of considerably more legislative activity, particularly in the area of economic sanctions.

Export Promotion

As the most important agencies involved in the extension of export finance and the provision of insurance for U.S. overseas investments, the Export-Import Bank (Eximbank) and the Overseas Private Investment Corporation (OPIC), respectively, are often the subject of legislative proposals that seek to enlarge or contract U.S. economic engagement with specific countries or regions. In addition to appropriating funds, proposals to expand the programs these agencies have in Sub-Saharan African countries are covered by H.R. 434/ S.666 and H.R. 772. Eximbank activities are also affected differentially by more than a dozen specific bills to lift or increase sanctions imposed on specific countries.[19]

OPIC activities were reauthorized through September 30, 2003 on December 9, 1999 by H.R. 3381 (P.L. 106-158). The 106th Congress has also entertained a number of proposals (H.R. 332 (Andrews) and S. 691 (Allard) to terminate the activities of OPIC.[20]

Funding for federal programs to promote exports is taken up annually in appropriations legislation. The Departments of Commerce and Agriculture are the main agencies that administer these programs.[21]

Section 301 of the Trade Act of 1974 is the primary tool available for negotiations designed to increase the access U.S. exports have to foreign markets. Under this trade law provision, the United States Trade Representative is authorized to retaliate against foreign trade practices that discriminate against U.S. exports. This

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[19] For background and analysis, see CRS Report, *Export-Import Bank: Background and Legislative Issues*, by James K. Jackson.

[20] For background, see CRS Report 98-567, *The Overseas Private Investment Corporation: Background and Legislative Issues*, by James K. Jackson.

[21] For details on the agriculture programs, see CRS Issue Brief IB98006, *Agricultural Export and Food Aid Programs*.

provision has been the subject of numerous legislative efforts in recent Congresses to make the operation of the statute more effective.[22]

In the 106th Congress, one proposal (H.R. 450/Camp and S. 566/Lugar) has been introduced to establish procedures for identifying countries that deny market access for U.S. agricultural products. Under a second proposal provided by the Steel Trade Enforcement Act of 1999 (S. 1254/Roth), the U.S. Trade Representative would investigate under Section 301 market-distorting practices insulating foreign steel makers from competition in their domestic markets. A third proposal (H.R. 2612/Traficant) would expand U.S. exports of goods and services by requiring the development of objective criteria to achieve market access in foreign countries. A fourth proposal (H.R. 3393/ Levin) would strengthen Section 301 by providing a "hit list" of countries that use health and safety regulations to block imports of agricultural products and expand the ability of the U.S. Trade Representative to retaliate against governments of countries who encourage anti-competitive practices.

Two amendments adopted in the Senate-passed "Trade and Development Act of 1999" also affect Section 301. One amendment, offered by Senator Dorgan, would clarify the applicability of Section 301 to state trading enterprises, such as the Canadian Wheat Board. A second amendment, offered by Senator DeWine, would force U.S. trade officials to rotate retaliatory tariffs against countries that do not comply with WTO rulings. The fate of both amendments likely will be decided in the House-Senate conference on H.R. 434 early this session.

Export Controls

The Export Administration Act (EAA) of 1979, which provides a delegated authority from the Congress to the executive branch, expired in 1994. During this five-year interim, the President has administered the export control regulations under authority of the International Emergency Powers Act (IEEPA).[23]

The EAA establishes export licensing policy for items detailed on the Commerce Control List (CCL). The CCL currently provides detailed specifications for about 2400 dual-use items (those with both military and commercial value) including equipment, materials, software, and technology likely requiring some type of export license. The CCL is periodically updated to decontrol broadly available items and to focus controls on critical technologies and on key items in which targeted countries are deficient. Exports of defense articles are governed separately under the Arms Export Control Act.

The Clinton Administration has supported the reauthorization of the EAA on the grounds that U.S. controls on exports of sensitive technology need to be updated to reflect changes in threats to the United States as well as advances in technology. Administration officials have also argued that IEEPA lacks the statutory authority to

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[22] For full discussion, see CRS 98-454, *Section 301 of the Trade Act of 1974, As Amended: Its Operation and Issues Involving Its Use By the United States*, by Wayne M. Morrison.

[23] For full discussion, see CRS Report RL30169, *Export Administration Act of 1979: Reauthorization*, by Helit Barel, Robert Shuey, Craig Elwell, and Jeanne Grimmett.

properly enforce U.S. export controls through the imposition of stiff penalties for violations of the law. Many private sectors representatives, however, have maintained that continuing to operate under IEEPA would be preferable to tighter export controls under a reauthorized EAA.

The 106th Congress is considering proposals to enact a new export control authority. The Senate Banking Committee approved a bill (S. 1712) entitled the Export Administration Act of 1999 by a vote of 19-0 on September 23, 1999. The bill would significantly reduce the number of items under export control from about 10,000 to 1,000 and increase penalties for violators of export control laws. It would also guide U.S. export controls by classifying countries based on their perceived threat to national security. The bill could be placed on the Senate calendar this year. No action has taken place in the House since a subcommittee hearing in March 1999.

Opposition to S. 1712 can be expected from some members who want to place greater priority on national security considerations in implementing the controls. Some members seek to have the Defense or State Departments as the lead agency in export controls based on the perception that the Commerce Department is more interested in promoting exports than national security. U.S. export controls towards Cuba are also a contentious issue. Undersecretary of Commerce William Reinsch has stated that the Administration was unhappy with some provisions of the Senate Banking Committee bill but was generally supportive.

Revelations concerning China's efforts to steal or otherwise acquire militarily sensitive technology are likely to affect the debate on reauthorization, in addition to generating legislative proposals directed at China per se. For example, the House on June 9, 1999, approved legislation to tighten controls on exports of high-performance computers and satellite exports to China. Approved by a vote of 428-0 as an amendment to the Defense Department appropriations bill, the amendment would implement some of the recommendations contained in the Cox Committee report. The Senate approved legislation with similar aims on May 27, 1999.[24] The Clinton Administration has already tightened some controls in wake of the Cox Commission's allegations that China gained from lax controls. In addition, the Senate on June 22, 1999, approved legislation as an amendment to the State Department reauthorization bill (S. 886) to tighten U.S. export controls of high-technology products to Hong Kong and Macao.[25]

Legislation that would significantly liberalize controls on encryption software is also being considered. H.R. 850, introduced by Representative Bob W. Goodlatte and known as the "Security and Freedom Through Encryption Act," (SAFE Act), would ease export controls on hardware and software products (such as Netscape Navigator and Lotus Notes) with strong encoding capabilities and would codify the regulations for unrestricted domestic use and sale of encryption. The bill was reported out by voice vote by the Committee on the Judiciary on April 17, 1999 (H.Rept. 106-

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[24] *International Trade Reporter*, "House Approves Tighter Limits on Exports of High-Performance Computers to China," June 16, 1999.

[25] *International Trade Reporter*, Senate Clears Measure to Tighten Controls on High-Tech Exports to Hong Kong, Macao," June 30, 1999.

117) and by the House Commerce Committee (with amendments) on June 23, 1999. The bill has also been referred to the committees on Intelligence, Armed Services, and International Relations. With multiple referrals, the various versions of H.R. 850 differ significantly.[26]

S. 798 (McCain), which is similar in a number of respects to H.R. 850, would also loosen current export controls on encryption products. Key provisions of the bill, which is titled the "Promote Reliable Online Transactions To Encourage Commerce and Trade (PROTECT) Act of 1999," would loosen export restrictions on encryption software and other products up to 64 bits, and would establish a private sector review board for encryption using bit lengths above 64 bits to determine whether the product is readily available from foreign suppliers. The Senate Commerce, Science, and Transportation Committee reported out the bill by voice vote on June 23, 1999.[27] The Committee report (S.Rept. 106-142) was filed August 5, 1999.

The computer industry, privacy, and consumer advocacy groups generally support both bills, but H.R. 850 is considered more pro-industry because of its greater liberalization of encryption export controls. The Administration has opposed both H.R. 850 and S. 798 on national security and law enforcement grounds, fearing efforts aimed at lawful electronic surveillance will be frustrated by worldwide use of unbreakable electronic message encryption. However, in recent months the Clinton Administration has announced changes to its encryption policy, making more products exportable without a license to specific countries. It remains uncertain how these actions will affect support for moving encryption legislation.

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[26] See CRS Issue Brief IB96039, *Encryption Technology: Congressional Issues*, by Richard Nunno.

[27] *International Trade Reporter*, "Senate Commerce Panel Clears McCain Bill to Ease Controls on Encryption Exports," June 30, 1999.

Economic Sanctions

The 106th Congress currently has under consideration more than 100 bills or joint resolutions to impose new sanctions, ease current sanctions, alter current regimes, or overhaul the entire process that the legislative and executive branches employ when considering the use of sanctions. Of these, H.R. 1244 (Crane) and its counterpart, S. 757 (Lugar) could change fundamentally how the United States uses sanctions as a foreign policy tool. The bills seek to clarify the use of unilateral sanctions in U.S. foreign policy imposed at the initiative of either the Administration or Congress. The bills would revise procedures that both branches follow before enacting or imposing sanctions, and would require extensive reporting as to the expected costs and benefits of imposing sanctions.

The Administration has spoken in favor of some sort of sanctions overhaul, but has a number of disagreements with specific provisions in the bills offered to date. In general, while the Administration has expressed a willingness to work with Congress in achieving a bill it can support, it wants to maintain considerable presidential discretion in the sanctions process, particularly to issue waivers of new sanctions.

As a sub-set of the economic sanctions debate, much legislative attention is being given to the exemption of food or agricultural products from U.S. unilateral sanctions. S. 566 (Lugar) amends the Agricultural Trade Act of 1978 to exempt commercial sales of agricultural commodities from unilateral economic sanctions, but also gives the President the authority under certain foreign policy and national security circumstances to include these items in sanctions. The Senate Agriculture Committee reported out this bill on May 26, 1999. A related bill, S. 425 (Ashcroft) prohibits, with specified exceptions, the President from imposing new unilateral agricultural sanctions, or a new unilateral sanction with respect to medical products, without congressional consent.

The specific issue of selective agricultural embargoes is also being addressed legislatively. H.R. 17 (Ewing) and S. 315 (Ashcroft) delineate congressional procedures for the approval or disapproval of a future embargo on agricultural products that is not part of an embargo on all products to a country. The House passed H.R. 17 by voice vote under suspension of the rules on June 15, 1999. The Administration has expressed concerns with the bill on the grounds that it would restrict the President's flexibility and would require termination of sanctions on a certain date regardless of changes in the behavior of the country being embargoed.

Numerous country-specific bills that would remove food and agricultural products from specific country embargoes or sanctions have also been introduced. Several would waive the sanctions imposed against India and Pakistan after they detonated nuclear devices in the spring of 1998. Among those introduced, H.R. 973 passed the House on June 15, 1999, and was referred to the Senate Committee on Foreign Relations. More than six bills affecting the current economic embargo against Cuba have also been introduced, but none have so far received consideration beyond referral.

Appendix: Summary of Selective Trade Bills

Negotiating Authority

S. 111 (Gramm)
A bill to authorize negotiation for the accession of Chile to the NAFTA, and for other purposes.

S. 112 (Gramm)
A bill to authorize negotiation of free trade agreements with the countries of the Americas, and for other purposes.

S. 1065 (Dodd)
A bill to authorize negotiation for the accession of Chile to NAFTA, to provide for fast track consideration, and for other purposes.

S. 1869 (Baucus)
A bill to authorize the negotiation of a free trade agreement with the Republic of Korea and to provide for expedited congressional consideration of such an agreement.

S. 1870 (Baucus)
A bill to authorize the negotiation of a free trade agreement with the Republic of Singapore and to provide for expedited congressional consideration of such an agreement.

S. 1871 (Baucus)
A bill to authorize the negotiation of a free trade agreement with Chile, and to provide for expedited congressional consideration of such an agreement.

Trade Negotiations and Agreements

China/WTO accession

H.R. 884 (Gephardt)/ S. 743 (Hollings)
A bill to require prior congressional approval before the United States supports the admission of China into the World Trade Organization, and to provide for the withdrawal of the United States from the World Trade Organization if China is accepted into the WTO without the support of the United States.

S. 742 (Grassley)
A bill to clarify requirements for the accession to the World Trade Organization of the People's Republic of China.

Agricultural Trade Negotiations

H.R. 817 (Ewing)/ S. 101 (Lugar)
A bill to promote trade in U.S. agricultural commodities, livestock, and value-added products, and to prepare for future bilateral and multilateral negotiations.

NAFTA

H.R. 650 (Rivers)
A bill to assess the impact of the North American Free Trade Agreement on domestic job loss and the environment, and for other purposes.

USTR Organization and Trade Policy Process

S. 80 (Snowe)
A bill to establish the position of Assistant United States Trade Representative for Small Business, and for other purposes.

S. 185 (Ashcroft)/H.R. 3173 (Hulshof)
A bill to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

S. 1395 (Baucus)
A bill to require the USTR to appear before certain congressional committees to present the annual national trade estimate report.

S. 1585 (Baucus)
A bill to establish a Congressional Trade Office.

Import-Related Legislation

Protection of American Industry

Steel

H.R. 502 (Traficant)
A bill to impose a 3-month ban on imports of steel and steel products from Japan, Russia, South Korea, and Brazil.

H.R. 506 (Visclosky)
A bill to ensure that the volume of steel imports does not exceed the average monthly volume of such imports during the 36-month period preceding July 1997.

H.R. 975 (Visclosky)
A bill to provide for a reduction in the volume of steel imports for three years to the average monthly volume of such imports during the 36-month period before July 1997, and to establish a steel import notification and monitoring system. Passed the House by a vote of 289-141 on March 19, 1999.

S. 395 (Rockefeller)
A bill to ensure that the volume of steel imports does not exceed the average monthly volume of such imports during the 36-month period preceding July 1997
A Senate vote on this bill is expected on June 22, 1999.

Food-labeling

H.R. 222 (Chenoweth)
A bill to amend the Federal Meat Inspection Act to require that imported meat, and meat food products containing imported meat, bear a label identifying the country of origin.

H.R. 1144 (Chenoweth)
A bill to amend the Federal Meat Inspection Act to require that all meat and meat food products, whether domestic or imported, bear a label notifying the ultimate purchaser of meat and meat food products of the country of origin of the livestock that is the source of the meat and meat food products.

H.R. 1145 (Chenoweth)
A bill to require that all perishable agricultural commodities be labeled or marked as to their country of origin and to establish penalties for violations of such labeling requirements.

S. 242 (Johnson)
A bill require the labeling of imported meat and meat food products.

S. 251 (Burns)
A bill to amend the Federal Meat Inspection Act to require the labeling of imported meat and meat food products.

S. 860 (Graham)
A bill to require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements.

Trade Remedy Reform

Section 201 ("fair trade") of the 1974 Trade Act

H.R. 412 (Regula)/S. 261 (Specter)
A bill to amend the causation and injury standards of Section 201 of the Trade Act of 1974, and for other purposes.

H.R. 1120 (Levin) /S. 1008 (Baucus)
A bill to modify the standards for responding to import surges under Section 201 of the Trade Act of 1974, to establish mechanisms for import monitoring and the prevention of circumvention of United States trade laws, and to strengthen enforcement of United States trade remedy laws.

H.R. 1505 (English)
A bill to amend the causation, captive production, and critical circumstances of Sections 201 and 202 of the Trade Act of 1974, in addition to other provisions of trade law, and to more effectively address import crises.

S. 120 (Snowe)

A bill to amend Title II of the Trade Act of 1974 to clarify the definition of domestic industry and to include certain agricultural products for purpose of providing relief from injury caused by import competition, and for other purposes.

S. 261 (Specter)

A bill that in part revises criteria the International Trade Commission must consider in determining whether an industry has been injured by import competition.

Countervailing Duty And Antidumping Statutes

H.Res. 298 (Visclosky)

A resolution calling on the President to abstain from negotiating international agreements governing antidumping and countervailing duty measure.

H.R. 842 (Regula)

A bill that in part distributes dumping or subsidy offsets to the affected producers for qualifying expenditures on an annual basis.

H.R. 1201 (Regula)

A bill to provide for a private right of action in the case of injury from the importation of certain dumped and subsidized merchandise.

H.R. 1505 (Regula)

A bill to amend Title VII of the Tariff Act of 1930 on provisions dealing with captive production, cumulation, injury, critical circumstances, and other purposes.

S. 61 (DeWine)

A bill to amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions. Among other provisions, the bill would distribute duties collected under antidumping and countervailing duty orders back to the affected domestic producers for qualifying expenditures.

S. 528 (Specter)

A bill to provide for a private right of action in the case of injury form the importation of certain dumped and subsidized merchandise, among other provisions.

S. 1254 (Roth)

An original bill to establish a comprehensive strategy for the elimination of market-distorting practices affecting the global steel industry, among other provisions.

Trade Adjustment Assistance

H.R. 1491(Matsui)

A bill to amend the Trade Act of 1974 to consolidate and enhance the trade adjustment assistance and NAFTA transitional adjustment assistance programs under that Act, and for other purposes.

H.R. 1728 (English)

A bill to reauthorize the Trade Adjustment Assistance program through fiscal year 2003, and for other purposes.

H.R. 2406 (Rangel)

A bill to reauthorize the Trade Adjustment Assistance program (TAA) and the North American Free Trade Adjustment Assistance program (NAFTA-TAA) through fiscal year 2001. The bill resets the cap on NAFTA-TAA training expenditures at $30 million and increases the period of time for filing worker assistance petitions to two years.

S. 220 (Moynihan)

A bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance and NAFTA transitional adjustment assistance programs under that Act, and for other purposes.

S. 1386 (Roth)

A bill to amend the Trade Act of 1974 to extend the authorization for trade adjustment assistance.

Extension of Tariff Preferences

Generalized System of Preference

S. 1388 (Roth)

An original bill to extend the Generalized System of Preferences. Report (S.Rept. 106-137) filed by Senate Finance Committee on August 4, 1999.

Africa Trade and Investment Acts

H.R. 434 (Crane)/ S. 666 (Lugar)

A bill to authorize a new trade and investment policy for sub-Sahara Africa. The bills provide new tariff preferences, encourage partnerships with African nations through a range of trade and investment initiatives in exchange for commitments to continue market-oriented reforms. The Ways and Means Committee marked-up and reported out H.R. 434 on June 10, 1999.

H.R. 772 (Jackson)

A bill to authorize a new trade, investment, and development policy for sub-Saharan Africa that is mutually beneficial to the majority of people in sub-Saharan Africa and the United States.

S. 1387 (Roth)

A bill to authorize a new trade and investment policy for sub-Sahara Africa. Senate Finance Committee reported it out on June 22, 1999, by voice vote, and it was placed on the Senate legislative calendar.

CBI/NAFTA Parity

H.R. 984 (Crane)

A bill to provide additional trade benefits to certain beneficiary countries in the Caribbean, to provide assistance to the countries in Central America and the Caribbean affected by Hurricane Mitch and Hurricane Georges, and for other purposes. The House Ways and Means Committee marked-up and reported out H.R. 984 on June 10, 1999.

H.R. 1834 (Lewis)

A bill to promote the growth of free enterprise and economic opportunity in the Caribbean region, to increase trade between the region and the United States, and to encourage the adoption by Caribbean Basin countries of trade and investment policies necessary for participation in the Free Trade Area of the Americas. This bill is the Administration's approach to CBI parity.

S. 371 (Graham)

A bill to provide assistance to the countries in Central America and the Caribbean affected by Hurricane Mitch and Hurricane Georges, to provide additional trade benefits to certain beneficiary countries of the Caribbean, and for other purposes.

S. 1389 (Roth)

United States-Caribbean Basin Trade Enhancement Act reported out as an original bill by the Finance Committee on July 16, 1999, without written report.

Extension of Normal Trade Relations Status

H.J.Res. 57 (Rohrabacher)/ S.J.Res. 27 (Smith)

A joint revolution disapproving the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of the People's Republic of China.

H.J.Res. 58 (Rohrabacher)/ S.J.Res. 28 (Smith)

A joint resolution disapproving the extension of the waiver authority contained in Section 202(c) of the Trade Act of 1974 with respect to Vietnam.

H.R. 577 (Bereuter)

The bill removes China from the Jackson-Vanik provisions of the 1974 Trade Act and provides for permanent NTR status upon its accession to the WTO.

S. 354 (Thomas)

A bill to authorize the extension of nondiscriminatory trade status to Mongolia.

H.R. 1318 (Dunn)/ S. 332 (Brownback)

A bill to authorize the extension of nondiscriminatory treatment (normal trade relations) to the products of Kyrgyzstan.

Miscellaneous Trade and Technical Corrections Act of 1999

H.R. 435 (Archer)/ S.262 (Roth)
A bill to make miscellaneous and technical changes to various trade laws, and for other purposes. Passed the House on February 9, 1999 and the Senate on May 27, 1999.

Export-Related Legislation

Export Promotion

H.R. 332 (Andrews)/ S. 691 (Allard)
A bill to terminate the authorities of the Overseas Private Investment Corporation.

H.R. 1993 (Mazullo)
A bill to reauthorize the Overseas Private Investment Corporation, and for other export enhancement purposes.

S. 688 (Helms)
A bill to amend the Foreign Assistance Act of 1961 to reauthorize the Overseas Private Investment Corporation.

H.R. 450 (Camp)/S. 566 (Lugar)
A bill to amend the Trade Act of 1974 to establish procedures for identifying countries that deny market access for agricultural products of the United States.

H.R. 2612 (Traficant and Visclosky)
A bill to expand U.S. exports of goods and services by requiring the development of objective criteria to achieve market access in foreign countries, to provide the president with reciprocal trade authority, and for other purposes.

H.R. 3393 (Levin and Houghton)
A bill to amend the Trade Act of 1974 to provide for identification of, and actions relating to, foreign countries that maintain sanitary or phytosanitary measures that deny fair and equitable market access to U.S. food, beverage, or other plant or animal products, and for other purposes.

S. 1619 (DeWine)
A bill to amend the Trade Act of 1974 to provide for periodic revision of retliation lists or other remedial action implemented under Section 306 of such act.

Export Controls

H.R. 850 (Goodlatte)
A bill that eliminates export licensing for much encryption software and streamlines licensing procedures for other products, among other provisions.

S. 798 (McCain)

A bill that establishes a panel of private industry executives to review specified export control issues, among other purposes.

Economic Sanctions

H.R. 17 (Ewing)

A bill to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo of agricultural products, to provide a termination date for the embargo, to provide greater assurances of contract sanctity, and for other purposes.

H.R. 212 (Nethercutt)

A bill to require the GAO to prepare a report assessing the impact and effectiveness of economic sanctions imposed by the United States, to prohibit the imposition of unilateral sanctions on exports of food, other agricultural products, medicines, or medical supplies or equipment, and for other purposes.

H.R. 1244 (Crane)

A bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 262 (Roth)

This bill, in part, would amend the Tariff Act of 1930 to impose new sanctions on drug trafficking states.

S. 281 (Harkin)

This bill, in part, would amend the Tariff Act of 1930 to clarify that forced or indentured labor includes forced or indentured child labor.

S. 315 (Ashcroft)

A bill to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes.

S. 327 (Hagel)

A bill to exempt agricultural products, medicines, and medical products from U.S. economic sanctions.

S. 373 (Harkin)

This bill, in part, would prohibit the acquisitions of products produced by forced or indentured child labor.

S. 425 (Ashcroft)

A bill to require the approval of Congress for the imposition of any new unilateral agricultural sanction, or any new unilateral sanction with respect to medicine, medical supplies, or medical equipment, against a foreign country.

S. 634 (Brownback)

This bill, in part, would extend sanctions exemptions toward India and Pakistan, an particularly would require a modification of the sanctions as they apply to prohibition of exports of CCL goods to certain entities in India or Pakistan. A version of this bill (amendment 578) was added to S. 1122 (Defense Appropriations) in June 1999.

S. 757 (Lugar)

A bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions.

S. 566 (Lugar)/H.R. 817 (Ewing)

A bill to amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting U.S. agriculture, and for other purposes.

S. 927 (Dodd)

This bill gives the President broad authority to delay, suspend, or terminate economic sanctions it is important to the national interest of the United States to do so.