

110<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7014

To provide for the renegotiation of the North American Free Trade Agreement.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 2008

Mr. ENGLISH of Pennsylvania introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Rules and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide for the renegotiation of the North American Free Trade Agreement.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “NAFTA Modernization  
5        Trade Negotiating Authority Act”.

6        **SEC. 2. FINDINGS.**

7        The Congress makes the following findings:

8                (1) Trade among NAFTA members more than  
9        tripled from \$297,000,000,000 to \$930,000,000,000

1       between 1993 and 2007. United States foreign di-  
2       rect investment in Mexico rose by 259 percent and  
3       Mexican foreign direct investment in the United  
4       States increased by 244 percent.

5           (2) United States exports to Mexico rose 91  
6       percent from 1994 to 2003, compared to an aggre-  
7       gate of 41 percent to all countries in the world.  
8       United States imports from Mexico increased by 179  
9       percent, compared to an aggregate of 89 percent  
10      from all countries in the world.

11          (3) The United States International Trade  
12      Commission estimated that NAFTA tariff pref-  
13      erences accounted for one-third of United States im-  
14      port growth from Mexico and 13 percent of growth  
15      of United States exports to Mexico.

16          (4) The Congressional Budget Office suggested  
17      that 85 percent of United States export growth to  
18      Mexico and 91 percent of United States import  
19      growth from Mexico would have occurred without  
20      NAFTA.

21          (5) Despite the aggregate growth in trade and  
22      investment, NAFTA's share of the trade deficit has  
23      more than doubled from nearly 8 percent to 20 per-  
24      cent over the past 14 years. This reflects the shift  
25      in the United States trade balance with Mexico from

1 a \$2,000,000,000 surplus to a \$74,000,000,000 def-  
2 icit. The trade deficit with Canada is now nearly six  
3 times what it was in 1993 (an increase from  
4 \$11,000,000,000 to \$65,000,000,000).

5 (6) The trade surplus in services has fallen  
6 from \$92,000,000,000 in 1997 to \$56,000,000,000  
7 in 2005; in advanced technology products, a surplus  
8 of \$4,500,000,000 in 2001 declined to a deficit of  
9 \$44,000,000,000 by 2005; and the long-time surplus  
10 in agriculture has virtually disappeared.

11 (7) Imported oil is a driving force behind the  
12 United States trade deficit, accounting for 57 per-  
13 cent of the deficit in January 2008.

14 (8) Since NAFTA's inception, the same 2 prod-  
15 ucts (road vehicles and petroleum) have accounted  
16 for one-third of United States imports from Mexico  
17 and Canada each year. Road vehicles (especially ve-  
18 hicle parts) and machinery have remained the top 2  
19 exports, accounting for one-half of United States ex-  
20 ports to Mexico and Canada.

21 (9) Mexico is the leading export destination for  
22 several United States agricultural products, includ-  
23 ing beef, rice, soybean meal, and apples. It is the  
24 second leading export market for United States

1 corn, soybeans and oils, and third for pork, poultry,  
2 eggs, and cotton.

3 (10) The 5 largest United States export sectors  
4 in 2007 were nuclear machinery and appliances,  
5 electrical machinery and equipment, automobiles,  
6 aircraft, and optical, photographic, and medical  
7 equipment.

8 (11) United States exports and imports each  
9 saw a marginal growth of 2 percent in 1994. In  
10 2001, the United States experienced an 11 percent  
11 marginal growth in exports and 8 percent marginal  
12 growth in imports.

13 (12) Net United States employment increased  
14 by 24 percent between 1993 and 2007. Since  
15 NAFTA went into effect, all 50 States have experi-  
16 enced job growth of at least 12 percent. Contrary to  
17 these statistics, the Economic Policy Institute esti-  
18 mates that 500,000 jobs are lost each year due to  
19 trade. A study by the Commission argues that  
20 NAFTA had a minimal effect on aggregate job  
21 growth if any at all.

22 (13) Between 1994 and 2002, more than  
23 500,000 jobs were lost due to NAFTA, many of  
24 which were from the manufacturing sector. The Eco-

1        nomic Policy Institute estimates that in reality more  
2        than 1,000,000 have been lost.

3            (14) Between 1993 and 2006, the value of out-  
4        put in manufacturing increased by 50 percent. How-  
5        ever, United States manufacturing's share of gross  
6        domestic product (GDP) declined from 16 percent to  
7        12 percent.

8            (15) The real hourly compensation in the  
9        United States business sector rose by 1.5 percent  
10       each year between 1993 and 2007.

11           (16) In Mexico, real wages are actually lower  
12       and the number of people in poverty has risen from  
13       62,000,000 to 69,000,000 as of 2003. However,  
14       most studies attribute lower wages more to the peso  
15       crisis of 1994, which caused a 25 percent fall in real  
16       wages in Mexico, and other economic factors rather  
17       than NAFTA.

18           (17) The United States International Trade  
19       Commission suggests that trade in general has con-  
20       tributed to no more than 10 to 20 percent of the ris-  
21       ing United States income gap between more-skilled  
22       and less-skilled workers.

23           (18) The number of people emigrating illegally  
24       from Mexico to the United States is estimated to  
25       have doubled since NAFTA went into effect.

1 **SEC. 3. TRADE NEGOTIATING OBJECTIVES.**

2 (a) OVERALL TRADE NEGOTIATING OBJECTIVES.—

3 The overall trade negotiating objectives of the United  
4 States for an agreement subject to the provisions of sec-  
5 tion 4 are—

6 (1) to obtain more open, equitable, and recip-  
7 rocal market access;

8 (2) to obtain the reduction or elimination of  
9 barriers and distortion that are directly related to  
10 trade and that decrease market opportunities for  
11 United States exports or otherwise distort United  
12 States trade;

13 (3) to further strengthen the system of inter-  
14 national trading disciplines and procedures, includ-  
15 ing dispute settlement;

16 (4) to foster economic growth, raise living  
17 standards, and promote full employment in the  
18 United States and to enhance the global economy;  
19 and

20 (5) to ensure that domestic producers have ac-  
21 cess to a full range of appropriate legal remedies  
22 against unfair trade practices, including adequate  
23 and accessible antidumping, countervailing duty, and  
24 safeguard mechanisms.

25 (b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—

26 The principal trade negotiating objectives of the United

1 States for an agreement subject to the provisions of sec-  
2 tion 4 are as follows:

3 (1) TRADE BARRIERS AND DISTORTIONS.—The  
4 principal negotiating objectives of the United States  
5 regarding trade barriers and other trade distortions  
6 are—

7 (A) to expand competitive market opportu-  
8 nities for United States exports and to obtain  
9 fairer and more open conditions of trade by re-  
10 ducing or eliminating tariff and nontariff bar-  
11 riers and policies and practices of foreign gov-  
12 ernments directly related to trade that decrease  
13 market opportunities for United States exports  
14 or otherwise distort United States trade; and

15 (B) to obtain reciprocal tariff and non-  
16 tariff barrier elimination.

17 (2) TRADE IN SERVICES.—The principal negoti-  
18 ating objective of the United States regarding trade  
19 in services is to reduce or eliminate barriers to inter-  
20 national trade in services, including regulatory and  
21 other barriers that deny national treatment or un-  
22 reasonably restrict the establishment or operations  
23 of service suppliers.

24 (3) FOREIGN INVESTMENT.—The principal ne-  
25 gotiating objective of the United States regarding

1 foreign investment is to reduce or eliminate artificial  
2 or trade-distorting barriers to trade-related foreign  
3 investment by—

4 (A) reducing or eliminating exceptions to  
5 the principle of national treatment;

6 (B) freeing the transfer of funds relating  
7 to investments;

8 (C) reducing or eliminating performance  
9 requirements and other unreasonable barriers  
10 to the establishment and operation of invest-  
11 ments;

12 (D) seeking to establish standards for ex-  
13 propriation and compensation for expropriation,  
14 consistent with United States legal principles  
15 and practice; and

16 (E) providing meaningful procedures for  
17 resolving investment disputes.

18 (4) INTELLECTUAL PROPERTY.—The principal  
19 negotiating objectives of the United States regarding  
20 trade-related intellectual property are—

21 (A) to further promote adequate and effec-  
22 tive protection of intellectual property rights,  
23 including through—

24 (i)(I) ensuring accelerated and full  
25 implementation of the Agreement on

1 Trade-Related Aspects of Intellectual  
2 Property Rights referred to in section  
3 101(d)(15) of the Uruguay Round Agree-  
4 ments Act (19 U.S.C. 3511(d)(15)), par-  
5 ticularly with respect to United States in-  
6 dustries whose products are subject to the  
7 lengthiest transition periods for full com-  
8 pliance by developing countries with that  
9 Agreement; and

10 (II) ensuring that an agreement sub-  
11 ject to section 4 provides protection at  
12 least as strong as the protection afforded  
13 by chapter 17 of the NAFTA and the an-  
14 nexes thereto;

15 (ii) providing strong protection for  
16 new and emerging technologies and new  
17 methods of transmitting and distributing  
18 products embodying intellectual property;

19 (iii) preventing or eliminating dis-  
20 crimination with respect to matters affect-  
21 ing the availability, acquisition, scope,  
22 maintenance, use, and enforcement of in-  
23 tellectual property rights; and

24 (iv) providing strong enforcement of  
25 intellectual property rights, including

1 through accessible, expeditious, and effective  
2 civil, administrative, and criminal enforcement  
3 mechanisms; and

4 (B) to secure fair, equitable, and non-  
5 discriminatory market access opportunities for  
6 United States persons that rely upon intellectual  
7 property protection.

8 (5) TRANSPARENCY.—The principal negotiating  
9 objective of the United States with respect to trans-  
10 parency is to obtain broader application of the prin-  
11 ciple of transparency through—

12 (A) increased and more timely public ac-  
13 cess to information regarding trade issues and  
14 the activities of international trade institutions;  
15 and

16 (B) increased openness of dispute settle-  
17 ment proceedings, including under the World  
18 Trade Organization.

19 (6) RECIPROCAL TRADE IN AGRICULTURE.—

20 (A) IN GENERAL.—The principle negoti-  
21 ating objective of the United States with re-  
22 spect to agriculture is to obtain competitive op-  
23 portunities for United States exports of agricul-  
24 tural commodities in foreign markets, and to  
25 achieve fairer and more open conditions of

1 trade in bulk and value-added commodities  
2 by—

3 (i) reducing or eliminating, by a date  
4 certain, tariffs or other charges that de-  
5 crease market opportunities for United  
6 States exports, giving priority to those  
7 products that are subject to significantly  
8 higher tariffs or subsidy regimes of major  
9 producing countries;

10 (ii) reducing or eliminating subsidies  
11 that decrease market opportunities for  
12 United States exports or unfairly distort  
13 agriculture markets to the detriment of the  
14 United States;

15 (iii) developing, strengthening, and  
16 clarifying rules and effective dispute settle-  
17 ment mechanisms to eliminate practices  
18 that unfairly decrease market access op-  
19 portunities for the United States or distort  
20 agricultural markets to the detriment of  
21 the United States, particularly with respect  
22 to import-sensitive agricultural products,  
23 including—

24 (I) unfair or trade-distorting ac-  
25 tivities of State trading enterprises

1 and other administrative mechanisms,  
2 with emphasis on requiring price  
3 transparency in the operation of State  
4 trading enterprises and such other  
5 mechanisms;

6 (II) unjustified trade restrictions  
7 or commercial requirements affecting  
8 new technologies, including biotech-  
9 nologies;

10 (III) unjustified sanitary or  
11 phytosanitary restrictions, including  
12 those not based on scientific principles  
13 in contravention of the Uruguay  
14 Round Agreements;

15 (IV) other unjustified technical  
16 barriers to trade; and

17 (V) restrictive rules in the ad-  
18 ministration of tariff rate quotas;

19 (iv) improving import relief mecha-  
20 nisms to recognize the unique characteris-  
21 ties of perishable and seasonal agricultural  
22 products;

23 (v) taking into account whether a  
24 party to the negotiations has failed to ad-  
25 here to the provisions of already existing

1 trade agreements with the United States  
2 or has circumvented obligations under  
3 those agreements; and

4 (vi) taking into account whether a  
5 product is subject to market distortions by  
6 reason of a failure to adhere to the provi-  
7 sions of the already existing trade agree-  
8 ments with the United States or by the cir-  
9 cumvention by that country of its obliga-  
10 tions under those agreements.

11 (B) SEASONAL AND PERISHABLE COMMOD-  
12 ITIES.—Before commencing negotiations with  
13 respect to agriculture, the United States Trade  
14 Representative, in consultation with the Con-  
15 gressional Oversight Group convened under sec-  
16 tion 7, shall seek to develop a position on the  
17 treatment of seasonal and perishable agri-  
18 culture products to be employed in the negotia-  
19 tions in order to develop an international con-  
20 sensus on the treatment of seasonal or perish-  
21 able agricultural products in investigations re-  
22 lating to dumping, countervailing duties, safe-  
23 guards, and any other relevant area.

24 (7) LABOR AND THE ENVIRONMENT.—The  
25 principle negotiating objectives of the United States

1 regarding labor and the environment are the fol-  
2 lowing:

3 (A) To ensure parties to the agreement  
4 adopt, maintain, and enforce in their own laws  
5 and in practice the following basic internation-  
6 ally recognized labor standards, as stated in the  
7 1998 ILO Declaration on the Fundamental  
8 Principles and Rights at Work:

9 (i) Freedom of association.

10 (ii) The effective recognition of the  
11 right to collective bargaining.

12 (iii) The elimination of all forms of  
13 forced or compulsory labor.

14 (iv) The effective abolition of child  
15 labor and a prohibition on the worst forms  
16 of child labor.

17 (v) The elimination of discrimination  
18 in respect of employment and occupation.

19 (B)(i) To recognize that parties to the  
20 agreement retain the right to exercise discretion  
21 with respect to investigatory, prosecutorial, reg-  
22 ulatory, and compliance matters and to make  
23 decisions regarding the allocation of resources  
24 to enforcement with respect to other labor or

1 environmental matters determined to have high-  
2 er priorities.

3 (ii) To recognize that a country is effec-  
4 tively enforcing its laws if a course of action or  
5 inaction reflects a reasonable exercise of such  
6 discretion, or results from a bona fide decision  
7 regarding the allocation of resources.

8 (iii) To provide that a party does not vio-  
9 late its obligations under the agreement—

10 (I) by taking action under clause (i)  
11 or clause (ii); or

12 (II) by exercising the right to estab-  
13 lish domestic labor standards and levels of  
14 environmental protection.

15 (C) To ensure that parties to the agree-  
16 ment cannot derogate from labor obligations in  
17 the agreement in a manner affecting trade or  
18 investment.

19 (D) To ensure that labor obligations in the  
20 agreement are subject to the same dispute set-  
21 tlement, same enforcement mechanisms, and  
22 same criteria for selection of enforcement mech-  
23 anisms as all other obligations under the agree-  
24 ment.

1           (E) To strengthen the capacity of United  
2 States trading partners to promote respect for  
3 core labor standards.

4           (F) To strengthen the capacity of United  
5 States trading partners to protect the environ-  
6 ment through the promotion of sustainable de-  
7 velopment.

8           (G) To reduce or eliminate government  
9 practices or policies that unduly threaten sus-  
10 tainable development.

11           (H) To seek market access, through the  
12 elimination of tariffs and nontariff barriers, for  
13 United States environmental technologies,  
14 goods, and services.

15           (I) To ensure that labor, environmental,  
16 health, or safety policies and practices of the  
17 parties to the agreement do not arbitrarily or  
18 unjustifiably discriminate against United States  
19 exports or serve as disguised barriers to trade.

20           (J) To ensure that each party to the agree-  
21 ment adopts, implements, and effectively en-  
22 forces laws, regulations, and all other measures  
23 to fulfill that party's obligations under each of  
24 the following multilateral environmental agree-  
25 ments to which they are both parties, subject to

1 existing and future reservations to such agree-  
2 ments:

3 (i) The Convention on International  
4 Trade in Endangered Species.

5 (ii) The Montreal Protocol on Ozone  
6 Depleting Substances.

7 (iii) The Convention on Marine Pollu-  
8 tion.

9 (iv) The Inter-American Tropical  
10 Tuna Convention.

11 (v) The Ramsar Convention on the  
12 Wetlands.

13 (vi) The International Convention on  
14 the Regulation of Whaling.

15 (vii) The Convention on Conservation  
16 of Antarctic Marine Living Resources.

17 (K) To ensure that environmental obliga-  
18 tions in the agreement are subject to the same  
19 dispute settlement, same enforcement mecha-  
20 nisms, and same criteria for selection of en-  
21 forcement mechanisms as all other obligations  
22 under the agreement.

23 (8) TRADE REMEDY LAWS.—The principle ne-  
24 gotiating objectives of the United States with respect  
25 to trade remedy laws are—

1 (A) to preserve the ability of the United  
2 States to enforce rigorously its trade laws, in-  
3 cluding the antidumping, countervailing duty,  
4 and safeguard laws, and to avoid an agreement  
5 that lessens the effectiveness of domestic and  
6 international disciplines on unfair trade, espe-  
7 cially dumping and subsidies, or that lessens  
8 the effectiveness of domestic and international  
9 safeguard provisions, in order to ensure that  
10 United States workers, agricultural producers,  
11 and firms can compete fully on fair terms and  
12 enjoy the benefits of reciprocal trade conces-  
13 sions; and

14 (B) to address and remedy market distor-  
15 tions that lead to dumping and subsidization,  
16 including overcapacity, cartelization, and mar-  
17 ket-access barriers.

18 (c) SPECIAL NEGOTIATING OBJECTIVES.—

19 (1) NAFTA-COUNTRY SPECIFIC OBJECTIVES.—  
20 Negotiators negotiating on behalf of the United  
21 States shall ensure that any new trade agreement  
22 entered into with Canada, Mexico, or both countries  
23 meets or exceeds the standards established in the  
24 areas of labor and environment, dispute settlement,  
25 intellectual property, services, foreign investment,

1 and agriculture of trade agreements negotiated  
2 under the Bipartisan Trade Promotion Authority  
3 Act of 2002.

4 (2) DOMESTIC OBJECTIVES.—In pursuing the  
5 negotiating objectives under subsections (a), (b) and  
6 paragraph (1) of this subsection, the negotiators on  
7 behalf of the United States shall take into account  
8 United States domestic objectives, including the pro-  
9 tection of health and safety, essential security, envi-  
10 ronmental, consumer, and employment opportunity  
11 interests, and the law and regulations related there-  
12 to.

13 (3) APPLICABILITY OF TRADE NEGOTIATION  
14 PROCEDURES.—Nothing in this subsection shall be  
15 construed to authorize the exercise of the trade ne-  
16 gotiation procedures under section 4 to modify  
17 United States Federal law.

18 **SEC. 4. LIMITED TRADE NEGOTIATING AUTHORITY FOR**  
19 **THE PURPOSES OF MODERNIZING THE**  
20 **NORTH AMERICAN FREE TRADE AGREEMENT.**

21 (a) NORTH AMERICAN FREE TRADE AGREEMENT  
22 MODERNIZATION.—

23 (1) IN GENERAL.—Whenever the President de-  
24 termines that—

1 (A) the reduction or elimination of tariff or  
2 nontariff barriers of any foreign country or the  
3 United States or any other barrier to, or other  
4 distortion of, international trade unduly bur-  
5 dens or restricts the foreign trade of the United  
6 States or adversely affects the United States  
7 economy, and

8 (B) the imposition of any such barrier or  
9 distortion is likely to result in such a burden,  
10 restriction, or effect, and that the purposes,  
11 policies, priorities, and objectives of this Act  
12 will be promoted thereby,

13 the President may enter into a trade agreement de-  
14 scribed in paragraph (2) with Canada, Mexico, or  
15 both countries during the period described in para-  
16 graph (3).

17 (2) TRADE AGREEMENT DESCRIBED.—The  
18 President may enter into a trade agreement under  
19 paragraph (1) with Canada, Mexico, or both coun-  
20 tries providing for—

21 (A) the reduction or elimination of a duty,  
22 restriction, barrier, or other distortion described  
23 in paragraph (1); or

24 (B) the prohibition of, or limitation on the  
25 imposition of, such barrier or other distortion.

1           (3) TIME LIMITATION.—The President may  
2           enter into a trade agreement under this subsection  
3           before August 1, 2009.

4           (b) CONDITIONS.—A trade agreement may be entered  
5           into under this section only if such agreement makes  
6           progress in meeting the applicable objectives described in  
7           subsections (a) and (b) of section 3 and the President sat-  
8           isfies the conditions set forth in section 5.

9           (c) BILLS QUALIFYING FOR TRADE AUTHORITIES  
10          PROCEDURES.—

11           (1) IN GENERAL.—The provisions of section  
12           151 of the Trade Act of 1974 (in this Act referred  
13           to as “trade authorities procedures”) apply to a bill  
14           of either House of Congress that contains provisions  
15           described in paragraph (2) to the same extent as  
16           such section 151 applies to implementing bills under  
17           that section. A bill to which this subsection applies  
18           shall in this Act be referred to as an “implementing  
19           bill”.

20           (2) PROVISIONS IN IMPLEMENTING BILLS.—  
21           The provisions referred to in paragraph (1) are—

22                   (A) a provision approving a trade agree-  
23                   ment entered into under this section and ap-  
24                   proving the statement of administrative action,

1 if any, proposed to implement such trade agree-  
2 ment; and

3 (B) if changes in existing laws or new stat-  
4 utory authority are required to implement such  
5 trade agreement, provisions, necessary or ap-  
6 propriate to implement such trade agreement,  
7 either repealing or amending existing laws or  
8 providing new statutory authority.

9 (d) COMMENCEMENT OF NEGOTIATIONS.—In order  
10 to contribute to the continued economic expansion of the  
11 United States, the President shall commence negotiations  
12 under subsection (a) covering tariff and nontariff barriers  
13 affecting any industry, product, or service sector. In so  
14 doing, the President shall take into account all of the prin-  
15 cipal negotiating objectives set forth in section 3(b).

16 **SEC. 5. CONSULTATIONS AND ASSESSMENT.**

17 (a) NOTICE AND CONSULTATION BEFORE NEGOTIA-  
18 TION.—The President, with respect to any agreement that  
19 is subject to the section 4(a), shall—

20 (1) provide, at least 90 calendar days before  
21 initiating negotiations, written notice to the Con-  
22 gress of the President's intention to enter into the  
23 negotiations and set forth therein the date the Presi-  
24 dent intends to initiate such negotiations, the spe-  
25 cific United States objectives for the negotiations,

1 and whether the President intends to seek an agree-  
2 ment, or changes to an existing agreement;

3 (2) before and after submission of the notice,  
4 consult regarding the negotiations with the Com-  
5 mittee on Finance of the Senate and the Committee  
6 on Ways and Means of the House of Representa-  
7 tives, such other committees of the House and Sen-  
8 ate as the President deems appropriate, and the  
9 Congressional Oversight group convened under sec-  
10 tion 7; and

11 (3) upon the request of a majority of the mem-  
12 bers of the Congressional Oversight Group under  
13 section 7(e), meet with the Congressional Oversight  
14 Group before initiating the negotiations or at any  
15 other time concerning the negotiations.

16 (b) NEGOTIATIONS REGARDING AGRICULTURE.—

17 (1) IN GENERAL.—Before initiating negotia-  
18 tions (with respect to an agreement subject to sec-  
19 tion 4) the subject matter of which directly relates  
20 to the subject matter under section 3(b)(6)(A)(i)  
21 with any country, the President shall assess whether  
22 United States tariffs on agricultural products that  
23 were bound under the Uruguay Round Agreements  
24 are lower than the tariffs bound by that country. In  
25 addition, the President shall consider whether the

1 tariff levels bound and applied throughout the world  
2 with respect to imports from the United States are  
3 higher than United States tariffs and whether the  
4 negotiation provides an opportunity to address any  
5 such disparity. The President shall consult with the  
6 Committee on Ways and Means and the Committee  
7 on Agriculture of the House of Representatives and  
8 the Committee on Finance and the Committee on  
9 Agriculture, Nutrition, and Forestry of the Senate  
10 concerning the results of the assessment, whether it  
11 is appropriate for the United States to agree to fur-  
12 ther tariff reductions based on the conclusions  
13 reached in the assessment, and how all applicable  
14 negotiating objectives will be met.

15 (2) SPECIAL CONSULTATIONS ON IMPORT SEN-  
16 SITIVE PRODUCTS.—

17 (A) BEFORE INITIATING NEGOTIATIONS.—

18 Before initiating negotiations (with respect to  
19 an agreement subject to section 4) with regard  
20 to agriculture, the United States Trade Rep-  
21 resentative shall—

22 (i) identify those agricultural products  
23 subject to tariff-rate quotas on the date of  
24 the enactment of this Act, and agricultural  
25 products subject to tariff reductions by the

1 United States as a result of the Uruguay  
2 Round Agreements, for which the rate of  
3 duty was reduced on January 1, 1995, to  
4 a rate that was not less than 97.5 percent  
5 of the rate of duty that applied to such ar-  
6 ticle on December 31, 1994;

7 (ii) consult with the Committee on  
8 Ways and Means and the Committee on  
9 Agriculture of the House of Representa-  
10 tives and the Committee on Finance and  
11 the Committee on Agriculture, Nutrition,  
12 and Forestry of the Senate concerning—

13 (I) whether any further tariff re-  
14 ductions on the products identified  
15 under clause (i) should be appro-  
16 priate, taking into account the impact  
17 of any such tariff reduction on the  
18 United States industry producing the  
19 product concerned;

20 (II) whether the products so  
21 identified face unjustified sanitary or  
22 phytosanitary restrictions, including  
23 those not based on scientific principles  
24 in contravention of the Uruguay  
25 Round Agreements; and

1 (III) whether the countries par-  
2 ticipating in the negotiations maintain  
3 export subsidies or other programs,  
4 policies, or practices that distort world  
5 trade in such products and the impact  
6 of such programs, policies, and prac-  
7 tices on United States producers of  
8 the products;

9 (iii) request that the Commission pre-  
10 pare an assessment of the probable eco-  
11 nomic effects of any such tariff reduction  
12 on the United States industry producing  
13 the product concerned and on the United  
14 States economy as a whole; and

15 (iv) upon complying with clauses (i),  
16 (ii), and (iii), notify the Committee on  
17 Ways and Means and the Committee on  
18 Agriculture of the House of Representa-  
19 tives and the Committee on Finance and  
20 the Committee on Agriculture, Nutrition,  
21 and Forestry of the Senate of those prod-  
22 ucts identified under clause (i) for which  
23 the Trade Representative intends to seek  
24 tariff liberalization in the negotiations and

1 the reasons for seeking such tariff liberal-  
2 ization.

3 (B) AFTER NEGOTIATIONS COMMENCED.—

4 If, after negotiations described in subparagraph  
5 (A) are commenced—

6 (i) the United States Trade Rep-  
7 resentative identifies any additional agri-  
8 cultural product described in subparagraph  
9 (A)(i) for tariff reductions that were not  
10 the subject of a notification under subpara-  
11 graph (A)(iv), or

12 (ii) any additional agricultural prod-  
13 uct described in subparagraph (A)(i) is the  
14 subject of a request for tariff reductions by  
15 a party to the negotiations,

16 the Trade Representative shall, as soon as prac-  
17 ticable, notify the committees referred to in  
18 subparagraph (A)(iv) of those products and the  
19 reasons for seeking such tariff reductions.

20 (3) NEGOTIATIONS REGARDING THE FISHING  
21 INDUSTRY.—Before initiating negotiations (with re-  
22 spect to an agreement subject to section 4) the sub-  
23 ject matter of which relates directly to fish or shell-  
24 fish trade, the President shall consult with the Com-  
25 mittee on Ways and Means and the Committee on

1 Resources of the House of Representatives, and the  
2 Committee on Finance and the Committee on Com-  
3 merce, Science, and Transportation of the Senate,  
4 and shall keep the Committees apprised of the nego-  
5 tiations on an ongoing and timely basis.

6 (c) NEGOTIATIONS REGARDING TEXTILES.—Before  
7 initiating negotiations with a country (with respect to an  
8 agreement subject to section 4) the subject matter of  
9 which relates directly to textiles and apparel products, the  
10 President shall assess whether United States tariffs on  
11 textile and apparel products that were bound under the  
12 Uruguay Round Agreements are lower than the tariffs  
13 bound by that country and whether the negotiation pro-  
14 vides an opportunity to address any such disparity. The  
15 President shall consult with the Committee on Ways and  
16 Means of the House of Representatives and the Committee  
17 on Finance of the Senate concerning the results of the  
18 assessment, whether it is appropriate for the United  
19 States to agree to further tariff reductions based on the  
20 conclusions reached in the assessment, and how all appli-  
21 cable negotiating objectives will be met.

22 (d) CONSULTATION WITH CONGRESS BEFORE  
23 AGREEMENT ENTERED INTO.—

1           (1) CONSULTATION.—Before entering into a  
2 trade agreement under section 4(a), the President  
3 shall consult with—

4                   (A) the Committee on Ways and Means of  
5 the House of Representatives and the Com-  
6 mittee on Finance of the Senate;

7                   (B) each other committee of the House  
8 and the Senate, and each joint committee of the  
9 Congress, that has jurisdiction over legislation  
10 involving subject matters that would be affected  
11 by the trade agreement; and

12                   (C) the Congressional Oversight Group  
13 convened under section 7.

14           (2) SCOPE.—The consultation described in  
15 paragraph (1) shall include consultation with respect  
16 to—

17                   (A) the nature of the agreement;

18                   (B) how and to what extent the agreement  
19 will achieve the applicable purposes, policies,  
20 priorities, and objectives of this Act; and

21                   (C) the implementation of the agreement  
22 under section 6, including the general effect of  
23 the agreement on existing laws.

24           (3) REPORT REGARDING UNITED STATES  
25 TRADE REMEDY LAWS.—The President, at least 180

1 calendar days before the day on which the President  
2 enters into a trade agreement under section 4(a),  
3 shall report to the Committee on Ways and Means  
4 of the House of Representatives and the Committee  
5 on Finance of the Senate—

6 (A) the range of proposals advanced in the  
7 negotiations with respect to that agreement,  
8 that may be in the final agreement, and that  
9 could require amendments to title VII of the  
10 Tariff Act of 1930 or to chapter 1 of title II  
11 of the Trade Act of 1974; and

12 (B) how these proposals relate to the ob-  
13 jectives described in section 3(b)(8).

14 (e) ADVISORY COMMITTEE REPORTS.—The report  
15 required under section 135(e)(1) of the Trade Act of 1974  
16 regarding any trade agreement entered into under section  
17 4(a) of this Act shall be provided to the President, the  
18 Congress, and the United States Trade Representative not  
19 later than 30 days after the date on which the President  
20 notifies the Congress under section 6(a)(1)(A) of the  
21 President’s intention to enter into the agreement.

22 (f) ITC ASSESSMENT.—

23 (1) IN GENERAL.—The President, at least 90  
24 calendar days before the day on which the President  
25 enters into a trade agreement under section 4(a),

1 shall provide the Commission with the details of the  
2 agreement as it exists at that time and request the  
3 Commission to prepare and submit an assessment of  
4 the agreement as described in paragraph (2). Be-  
5 tween the time the President makes the request  
6 under this paragraph and the time the Commission  
7 submits the assessment, the President shall keep the  
8 Commission current with respect to the details of  
9 the agreement.

10 (2) ITC ASSESSMENT.—Not later than 90 cal-  
11 endar days after the President enters into the agree-  
12 ment, the Commission shall submit to the President  
13 and the Congress a report assessing the likely im-  
14 pact of the agreement on the United States economy  
15 as a whole and on specific industry sectors, includ-  
16 ing the impact the agreement will have on the gross  
17 domestic product, exports and imports, aggregate  
18 employment and employment opportunities, the pro-  
19 duction, employment, and competitive position of in-  
20 dustries likely to be significantly affected by the  
21 agreement, and the interests of United States con-  
22 sumers.

23 (3) REVIEW OF EMPIRICAL LITERATURE.—In  
24 preparing the assessment, the Commission shall re-  
25 view available economic assessments regarding the

1 agreement, including literature regarding any sub-  
2 stantially equivalent proposed agreement, and shall  
3 provide in its assessment a description of the anal-  
4 yses used and conclusions drawn in such literature,  
5 and a discussion of areas of consensus and diver-  
6 gence between the various analyses and conclusions,  
7 including those of the Commission regarding the  
8 agreement.

9 **SEC. 6. IMPLEMENTATION OF TRADE AGREEMENT.**

10 (a) IN GENERAL.—

11 (1) NOTIFICATION AND SUBMISSION.—Any  
12 agreement entered into under section 4(a) shall  
13 enter into force with respect to the United States if  
14 (and only if)—

15 (A) the President, at least 90 calendar  
16 days before the day on which the President en-  
17 ters into the trade agreement, notifies the  
18 House of Representatives and the Senate of the  
19 President's intention to enter into the agree-  
20 ment, and promptly thereafter publishes notice  
21 of such intention in the Federal Register;

22 (B) within 60 days after entering into the  
23 agreement, the President submits to the Con-  
24 gress a description of those changes to existing  
25 laws that the President considers would be re-

1           required in order to bring the United States into  
2           compliance with the agreement;

3           (C) after entering into the agreement, the  
4           President submits to the Congress, on a day on  
5           which both Houses of Congress are in session,  
6           a copy of the final legal text of the agreement,  
7           together with—

8                   (i) a draft of an implementing bill de-  
9                   scribed in section 4(c);

10                   (ii) a statement of any administrative  
11                   action proposed to implement the trade  
12                   agreement; and

13                   (iii) the supporting information de-  
14                   scribed in paragraph (2); and

15           (D) the implementing bill is enacted into  
16           law.

17           (2) SUPPORTING INFORMATION.—The sup-  
18           porting information required under paragraph  
19           (1)(C)(iii) consists of—

20                   (A) an explanation as to how the imple-  
21                   menting bill and proposed administrative action  
22                   will change or affect existing law; and

23                   (B) a statement—

24                           (i) asserting that the agreement  
25                           makes progress in achieving the applicable

1 purposes, policies, priorities, and objectives  
2 of this Act; and

3 (ii) setting forth the reasons of the  
4 President regarding—

5 (I) how and to what extent the  
6 agreement makes progress in achiev-  
7 ing the applicable purposes, policies,  
8 and objectives referred to in clause (i);

9 (II) whether and how the agree-  
10 ment changes provisions of an agree-  
11 ment previously negotiated;

12 (III) how the agreement serves  
13 the interests of United States com-  
14 merce;

15 (IV) how the implementing bill  
16 meets the standards set forth in sec-  
17 tion 4(c); and

18 (V) how and to what extent the  
19 agreement makes progress in achiev-  
20 ing the applicable purposes, policies,  
21 and objectives referred to in section  
22 3(c) regarding the promotion of cer-  
23 tain priorities.

24 (3) RECIPROCAL BENEFITS.—In order to en-  
25 sure that a foreign country that is not a party to a

1 trade agreement entered into under section 4(a)  
2 does not receive benefits under the agreement unless  
3 the country is also subject to the obligations under  
4 the agreement, the implementing bill submitted with  
5 respect to the agreement shall provide that the bene-  
6 fits and obligations under the agreement apply only  
7 to the parties to the agreement, if such application  
8 is consistent with the terms of the agreement. The  
9 implementing bill may also provide that the benefits  
10 and obligations under the agreement do not apply  
11 uniformly to all parties to the agreement, if such ap-  
12 plication is consistent with the terms of the agree-  
13 ment.

14 (4) DISCLOSURE OF COMMITMENTS.—Any  
15 agreement or other understanding with a foreign  
16 government or governments (whether oral or in writ-  
17 ing) that—

18 (A) relates to a trade agreement with re-  
19 spect to which the Congress enacts an imple-  
20 menting bill under trade authorities procedures,  
21 and

22 (B) is not disclosed to the Congress before  
23 an implementing bill with respect to that agree-  
24 ment is introduced in either House of Congress,

1 shall not be considered to be part of the agreement  
2 approved by the Congress and shall have no force or  
3 effect under United States law or in any dispute set-  
4 tlement body.

5 (b) LIMITATIONS ON TRADE AUTHORITIES PROCE-  
6 DURES.—

7 (1) FOR LACK OF NOTICE OR CONSULTA-  
8 TIONS.—

9 (A) IN GENERAL.—The trade authorities  
10 procedures shall not apply to any implementing  
11 bill submitted with respect to a trade agreement  
12 entered into under section 4(a) if during the  
13 60-day period beginning on the date that one  
14 House of Congress agrees to a procedural dis-  
15 approval resolution for lack of notice or con-  
16 sultations with respect to such trade agreement,  
17 the other House separately agrees to a proce-  
18 dural disapproval resolution with respect to  
19 such trade agreement.

20 (B) PROCEDURAL DISAPPROVAL RESOLU-  
21 TION.—(i) For purposes of this paragraph, the  
22 term “procedural disapproval resolution” means  
23 a resolution of either House of Congress, the  
24 sole matter after the resolving clause of which  
25 is as follows: “That the President has failed or

1 refused to notify or consult in accordance with  
2 the NAFTA Modernization Trade Promotion  
3 Authority Act on negotiations with respect to  
4 \_\_\_\_\_ and, therefore, the trade au-  
5 thorities procedures under that Act shall not  
6 apply to any implementing bill submitted with  
7 respect to such trade agreement or agree-  
8 ments.”, with the blank space being filled with  
9 a description of the trade agreement with re-  
10 spect to which the President is considered to  
11 have failed or refused to notify or consult.

12 (ii) For purposes of clause (i), the Presi-  
13 dent has “failed or refused to notify or consult  
14 in accordance with the NAFTA Modernization  
15 Trade Promotion Authority Act” on negotia-  
16 tions with respect to a trade agreement if—

17 (I) the President has failed or refused  
18 to consult (as the case may be) in accord-  
19 ance with section 5 or this section with re-  
20 spect to the negotiations or agreement;

21 (II) guidelines under section 7(b) have  
22 not been developed or met with respect to  
23 the negotiations or agreement;

24 (III) the President has not met with  
25 the Congressional Oversight Group pursu-

1 ant to a request made under section 7(c)  
2 with respect to the negotiations or agree-  
3 ment; or

4 (IV) the agreement fails to make  
5 progress in achieving the purposes, poli-  
6 cies, priorities, and objectives of this Act.

7 (2) PROCEDURES FOR CONSIDERING RESOLU-  
8 TIONS.—(A) Procedural disapproval resolutions—

9 (i) in the House of Representatives—

10 (I) may be introduced by any  
11 Member of the House;

12 (II) shall be referred to the Com-  
13 mittee on Ways and Means and, in  
14 addition, to the Committee on Rules;  
15 and

16 (III) may not be amended by ei-  
17 ther Committee; and

18 (ii) in the Senate—

19 (I) may be introduced by any  
20 Member of the Senate;

21 (II) shall be referred to the Com-  
22 mittee on Finance; and

23 (III) may not be amended.

24 (B) The provisions of section 152(d) and

25 (e) of the Trade Act of 1974 (19 U.S.C.

1           2192(d) and (e)) (relating to the floor consider-  
2           ation of certain resolutions in the House and  
3           Senate) apply to a procedural disapproval reso-  
4           lution introduced with respect to a trade agree-  
5           ment if no other procedural disapproval resolu-  
6           tion with respect to that trade agreement has  
7           previously been reported in that House of Con-  
8           gress by the Committee on Ways and Means or  
9           the Committee on Finance, as the case may be.

10           (C) It is not in order for the House of  
11           Representatives to consider any procedural dis-  
12           approval resolution not reported by the Com-  
13           mittee on Ways and Means and, in addition, by  
14           the Committee on Rules.

15           (D) It is not in order for the Senate to  
16           consider any procedural disapproval resolution  
17           not reported by the Committee on Finance.

18           (c) RULES OF HOUSE OF REPRESENTATIVES AND  
19 SENATE.—Subsection (b) is enacted by the Congress—

20           (1) as an exercise of the rulemaking power of  
21           the House of Representatives and the Senate, re-  
22           spectively, and as such are deemed a part of the  
23           rules of each House, respectively, and such proce-  
24           dures supersede other rules only to the extent that  
25           they are inconsistent with such other rules; and

1           (2) with the full recognition of the constitu-  
2           tional right of either House to change the rules (so  
3           far as relating to the procedures of that House) at  
4           any time, in the same manner, and to the same ex-  
5           tent as any other rule of that House.

6 **SEC. 7. CONGRESSIONAL OVERSIGHT GROUP.**

7           (a) MEMBERS AND FUNCTIONS.—

8           (1) IN GENERAL.—By not later than 60 days  
9           after the date of the enactment of this Act, and not  
10          later than 30 days after the convening of each Con-  
11          gress, the chairman of the Committee on Ways and  
12          Means of the House of Representatives and the  
13          chairman of the Committee on Finance of the Sen-  
14          ate shall convene the Congressional Oversight  
15          Group.

16          (2) MEMBERSHIP FROM THE HOUSE.—In each  
17          Congress, the Congressional Oversight Group shall  
18          be comprised of the following Members of the House  
19          of Representatives:

20                 (A) The chairman and ranking member of  
21                 the Committee on Ways and Means, and 3 ad-  
22                 ditional members of such Committee (not more  
23                 than 2 of whom are members of the same polit-  
24                 ical party).

1           (B) The chairman and ranking member, or  
2           their designees, of the committees of the House  
3           of Representatives that would have, under the  
4           Rules of the House of Representatives, jurisdic-  
5           tion over provisions of law affected by a trade  
6           agreement negotiations for which are conducted  
7           at any time during that Congress and to which  
8           this Act would apply.

9           (3) MEMBERSHIP FROM THE SENATE.—In each  
10          Congress, the Congressional Oversight Group shall  
11          also be comprised of the following members of the  
12          Senate:

13                (A) The chairman and ranking member of  
14                the Committee on Finance and 3 additional  
15                members of such Committee (not more than 2  
16                of whom are members of the same political  
17                party).

18                (B) The chairman and ranking member, or  
19                their designees, of the committees of the Senate  
20                that would have, under the Rules of the Senate,  
21                jurisdiction over provisions of law affected by a  
22                trade agreement negotiations for which are con-  
23                ducted at any time during that Congress and to  
24                which this Act would apply.

1           (4) ACCREDITATION.—Each member of the  
2           Congressional Oversight Group described in para-  
3           graph (2)(A) and (3)(A) shall be accredited by the  
4           United States Trade Representative on behalf of the  
5           President as an official adviser to the United States  
6           delegation in negotiations for any trade agreement  
7           to which this Act applies. Each member of the Con-  
8           gressional Oversight Group described in paragraph  
9           (2)(B) and (3)(B) shall be accredited by the United  
10          States Trade Representative on behalf of the Presi-  
11          dent as an official adviser to the United States dele-  
12          gation in the negotiations by reason of which the  
13          member is in the Congressional Oversight Group.  
14          The Congressional Oversight Group shall consult  
15          with and provide advice to the Trade Representative  
16          regarding the formulation of specific objectives, ne-  
17          gotiating strategies and positions, the development  
18          of the applicable trade agreement, and compliance  
19          and enforcement of the negotiated commitments  
20          under the trade agreement.

21          (5) CHAIR.—The Congressional Oversight  
22          Group shall be chaired by the Chairman of the Com-  
23          mittee on Ways and Means of the House of Rep-  
24          resentatives and the Chairman of the Committee on  
25          Finance of the Senate.

1 (b) GUIDELINES.—

2 (1) PURPOSE AND REVISION.—The United  
3 States Trade Representative, in consultation with  
4 the chairmen and ranking minority members of the  
5 Committee on Ways and Means of the House of  
6 Representatives and the Committee on Finance of  
7 the Senate—

8 (A) shall, within 120 days after the date of  
9 the enactment of this Act, develop written  
10 guidelines to facilitate the useful and timely ex-  
11 change of information between the Trade Rep-  
12 resentative and the Congressional Oversight  
13 Group convened under this section; and

14 (B) may make such revisions to the guide-  
15 lines as may be necessary from time to time.

16 (2) CONTENT.—The guidelines developed under  
17 paragraph (1) shall provide for, among other  
18 things—

19 (A) regular, detailed briefings of the Con-  
20 gressional Oversight Group regarding negoti-  
21 ating objectives, including the promotion of cer-  
22 tain priorities referred to in section 3(c), and  
23 positions and the status of the applicable nego-  
24 tiations, beginning as soon as practicable after  
25 the Congressional Oversight Group is convened,

1 with more frequent briefings as trade negotia-  
2 tions enter the final stage;

3 (B) access by members of the Congres-  
4 sional Oversight Group, and staff with proper  
5 security clearances, to pertinent documents re-  
6 lating to the negotiations, including classified  
7 materials;

8 (C) the closest practicable coordination be-  
9 tween the Trade Representative and the Con-  
10 gressional Oversight Group at all critical peri-  
11 ods during the negotiations, including at nego-  
12 tiation sites; and

13 (D) after the applicable trade agreement is  
14 concluded, consultation regarding ongoing com-  
15 pliance and enforcement of negotiated commit-  
16 ments under the trade agreement.

17 (e) REQUEST FOR MEETING.—Upon the request of  
18 a majority of the Congressional Oversight Group, the  
19 President shall meet with the Congressional Oversight  
20 Group before initiating negotiations with respect to a  
21 trade agreement under this Act, or at any other time con-  
22 cerning the negotiations.

1 **SEC. 8. ADDITIONAL IMPLEMENTATION AND ENFORCE-**  
2 **MENT REQUIREMENTS.**

3 (a) IN GENERAL.—At the time the President submits  
4 to the Congress the final text of a trade agreement pursu-  
5 ant to section 6(a)(1)(C), the President shall also submit  
6 a plan for implementing and enforcing the agreement. The  
7 implementation and enforcement plan shall include the fol-  
8 lowing:

9 (1) BORDER PERSONNEL REQUIREMENTS.—A  
10 description of additional personnel required at bor-  
11 der entry points, including a list of additional cus-  
12 toms and agricultural inspectors.

13 (2) AGENCY STAFFING REQUIREMENTS.—A de-  
14 scription of additional personnel required by Federal  
15 agencies responsible for monitoring and imple-  
16 menting the agreement, including personnel required  
17 by the Office of the United States Trade Represent-  
18 ative, the Department of Commerce, the Department  
19 of Agriculture (including additional personnel re-  
20 quired to implement sanitary and phytosanitary  
21 measures in order to obtain market access for  
22 United States exports), the Department of the  
23 Treasury, and such other agencies as may be nec-  
24 essary.

25 (3) CUSTOMS INFRASTRUCTURE REQUIRE-  
26 MENTS.—A description of the additional equipment

1 and facilities needed by U.S. Customs and Border  
2 Protection.

3 (4) IMPACT ON STATE AND LOCAL GOVERN-  
4 MENTS.—A description of the impact the agreement  
5 will have on State and local governments as a result  
6 of increases in trade.

7 (5) COST ANALYSIS.—An analysis of the costs  
8 associated with each of the items listed in para-  
9 graphs (1) through (4).

10 (b) BUDGET SUBMISSION.—The President shall in-  
11 clude a request for the resources necessary to support the  
12 plan described in subsection (a) in the first budget that  
13 the President submits to the Congress after the submis-  
14 sion of the plan.

15 **SEC. 9. CONFORMING AMENDMENTS.**

16 (a) IN GENERAL.—Title I of the Trade Act of 1974  
17 (19 U.S.C. 2111 et seq.) is amended as follows:

18 (1) IMPLEMENTING BILL.—

19 (A) Section 151(b)(1) (19 U.S.C.  
20 2191(b)(1)) is amended by striking “or section  
21 2105(a)(1) of the Bipartisan Trade Promotion  
22 Authority Act of 2002” and inserting “section  
23 2105(a)(1) of the Bipartisan Trade Promotion  
24 Authority Act of 2002, or section 6(a)(1) of the

1 NAFTA Modernization Trade Promotion Au-  
2 thority Act”.

3 (B) Section 151(c)(1) (19 U.S.C.  
4 2191(c)(1)) is amended by striking “or section  
5 2105(a)(1) of the Bipartisan Trade Promotion  
6 Authority Act of 2002” and inserting “section  
7 2105(a)(1) of the Bipartisan Trade Promotion  
8 Authority Act of 2002, or section 6(a)(1) of the  
9 NAFTA Modernization Trade Promotion Au-  
10 thority Act”.

11 (2) ADVICE FROM INTERNATIONAL TRADE COM-  
12 MISSION.—Section 131 (19 U.S.C. 2151) is amend-  
13 ed—

14 (A) in subsection (a)—

15 (i) in paragraph (1), by striking “or  
16 section 2103(a) or (b) of the Bipartisan  
17 Trade Promotion Authority Act of 2002,”  
18 and inserting “, section 2103(a) or (b) of  
19 the Bipartisan Trade Promotion Authority  
20 Act of 2002, or section 4(a) of the NAFTA  
21 Modernization Trade Promotion Authority  
22 Act,”; and

23 (ii) in paragraph (2), by inserting “or  
24 section 4(a) of the NAFTA Modernization

1 Trade Promotion Authority Act” after  
2 “Act of 2002”; and

3 (B) in subsection (c), by striking “or sec-  
4 tion 2103 of the Bipartisan Trade Promotion  
5 Authority Act of 2002,” and inserting “, sec-  
6 tion 2103 of the Bipartisan Trade Promotion  
7 Authority Act of 2002, or section 4(a) of the  
8 NAFTA Modernization Trade Promotion Au-  
9 thority Act,”.

10 (3) HEARINGS AND ADVICE.—Sections 132,  
11 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and  
12 2154(a)) are each amended by striking “or section  
13 2103 of the Bipartisan Trade Promotion Authority  
14 Act of 2002,” each place it appears and inserting “,  
15 section 2103 of the Bipartisan Trade Promotion Au-  
16 thority Act of 2002, or section 4(a) of the NAFTA  
17 Modernization Trade Promotion Authority Act,”.

18 (4) PREREQUISITES FOR OFFERS.—Section  
19 134(b) (19 U.S.C. 2154(b)) is amended by inserting  
20 “or section 4(a) of the NAFTA Modernization Trade  
21 Promotion Authority Act” after “Act of 2002”.

22 (5) ADVICE FROM PRIVATE AND PUBLIC SEC-  
23 TORS.—Section 135 (19 U.S.C. 2155) is amended—

24 (A) in subsection (a)(1)(A), by striking “or  
25 section 2103 of the Bipartisan Trade Pro-

1 motion Authority Act of 2002” and inserting “,  
2 section 2103 of the Bipartisan Trade Pro-  
3 motion Authority Act of 2002, or section 4(a)  
4 of the NAFTA Modernization Trade Promotion  
5 Authority Act”;

6 (B) in subsection (e)(1)—

7 (i) in the first sentence, by inserting  
8 “or section 4(a) of the NAFTA Moderniza-  
9 tion Trade Promotion Authority Act” after  
10 “Act of 2002”; and

11 (ii) by adding at the end the following  
12 new sentence: “Each report that applies to  
13 a trade agreement entered into under sec-  
14 tion 4(a) of the NAFTA Modernization  
15 Trade Promotion Authority Act shall be  
16 provided under the first sentence not later  
17 than the date on which the President noti-  
18 fies the Congress under section 6(a)(1)(A)  
19 of that Act of his intention to enter into  
20 that agreement.”; and

21 (C) in subsection (e)(2), by inserting “or  
22 section 3 of the NAFTA Modernization Trade  
23 Promotion Authority Act of 2002” after “Act  
24 of 2002”.

1           (6) TRANSMISSION OF AGREEMENT TO CON-  
2           GRESS.—Section 162(a) (19 U.S.C. 2212(a)) is  
3           amended by striking “or under section 2103 of the  
4           Bipartisan Trade Promotion Authority Act of 2002”  
5           and inserting “, under section 2103 of the Bipar-  
6           tisan Trade Promotion Authority Act of 2002, or  
7           under section 4(a) of the NAFTA Modernization  
8           Trade Promotion Authority Act”.

9           (b) APPLICATION OF CERTAIN PROVISIONS.—For  
10          purposes of applying sections 125, 126, and 127 of the  
11          Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and  
12          2137)—

13           (1) any trade agreement entered into under sec-  
14          tion 4(a) shall be treated as an agreement entered  
15          into under section 101 or 102, as appropriate, of the  
16          Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

17           (2) any proclamation or Executive order issued  
18          pursuant to a trade agreement entered into under  
19          section 4(a) shall be treated as a proclamation or  
20          Executive order issued pursuant to a trade agree-  
21          ment entered into under section 102 of the Trade  
22          Act of 1974.

23          **SEC. 10. DEFINITIONS.**

24          In this Act:

1           (1) COMMISSION.—The term “Commission”  
2 means the United States International Trade Com-  
3 mission.

4           (2) CORE LABOR STANDARDS.—The term “core  
5 labor standards” means—

6                   (A) the right of association;

7                   (B) the right to organize and bargain col-  
8 lectively;

9                   (C) a prohibition on the use of any form  
10 of forced or compulsory labor;

11                  (D) a minimum age for the employment of  
12 children; and

13                  (E) acceptable conditions of work with re-  
14 spect to minimum wages, hours of work, and  
15 occupational safety and health.

16           (3) ILO.—The term “ILO” means the Inter-  
17 national Labor Organization.

18           (4) NAFTA.—The term “NAFTA” means the  
19 North American Free Trade Agreement.

20           (5) NAFTA MEMBERS.—The term “NAFTA  
21 members” means the United States, Canada, and  
22 Mexico.

23           (6) UNITED STATES PERSON.—The term  
24 “United States person” means—

25                   (A) a United States citizen;

1           (B) a partnership, corporation, or other  
2           legal entity organized under the laws of the  
3           United States; and

4           (C) a partnership, corporation, or other  
5           legal entity that is organized under the laws of  
6           a foreign country and is controlled by entities  
7           described in subparagraph (B) or United States  
8           citizens, or both.

9           (7) URUGUAY ROUND AGREEMENTS.—The term  
10          “Uruguay Round Agreements” has the meaning  
11          given that term in section 2(7) of the Uruguay  
12          Round Agreements Act (19 U.S.C. 3501(7)).

13          (8) WORLD TRADE ORGANIZATION.—The term  
14          “World Trade Organization” means the organization  
15          established pursuant to the WTO Agreement.

16          (9) WTO AGREEMENT.—The term “WTO  
17          Agreement” means the Agreement Establishing the  
18          World Trade Organization entered into on April 15,  
19          1994.

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