

103^D CONGRESS
1ST SESSION

H. R. 1248

To amend the Trade Act of 1974 to provide for the review of the extent to which foreign countries are in compliance with bilateral trade agreements with the United States.

IN THE HOUSE OF REPRESENTATIVES

MARCH 9, 1993

Mr. MATSUI introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Trade Act of 1974 to provide for the review of the extent to which foreign countries are in compliance with bilateral trade agreements with the United States.

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 “Trade Agreements
5 Compliance Act of 1993”.

6 **SEC. 2. REQUESTS FOR REVIEW OF FOREIGN COMPLIANCE.**

7 Chapter 1 of title III of the Trade Act of 1974 (19
8 U.S.C. 2411 et seq.) is amended by inserting after section
9 306 the following new section:

1 **“SEC. 306A. REQUESTS FOR REVIEW OF FOREIGN COMPLI-**
2 **ANCE.**

3 “(a) DEFINITIONS.—For purposes of this section—

4 “(1) The term ‘interested person’ means any
5 person that has a significant economic interest that
6 is being, or has been, adversely affected by the fail-
7 ure of a foreign country to comply materially with
8 the terms of a trade agreement.

9 “(2) The term ‘trade agreement’ means any bi-
10 lateral trade agreement to which the United States
11 is a party other than—

12 “(A) the United States-Canada Free Trade
13 Agreement, entered into on January 2, 1988,
14 and

15 “(B) the Agreement on the Establishment
16 of a Free Trade Area between the Government
17 of the United States of America and the Gov-
18 ernment of Israel, entered into on April 22,
19 1985.

20 “(b) REQUEST FOR REVIEW.—

21 “(1) An interested person may request the
22 Trade Representative to undertake a review under
23 this section to determine whether a foreign country
24 is in material compliance with the terms of a trade
25 agreement.

1 “(2) A request for the review of a trade agree-
2 ment under this section may be made only during—

3 “(A) the 30-day period beginning on each
4 anniversary of the effective date of the trade
5 agreement; and

6 “(B) the 30-day period ending on the 90th
7 day before the termination date of the trade
8 agreement, if the first day of such 30-day pe-
9 riod occurs not less than 180 days after the last
10 occurring 30-day period referred to in subpara-
11 graph (A).

12 “(3) The Trade Representative shall commence
13 a review under this section if the request—

14 “(A) is in writing;

15 “(B) includes information reasonably avail-
16 able to the petitioner regarding the failure
17 of the foreign country to comply with the
18 trade agreement;

19 “(C) identifies the economic interest of the
20 petitioner that is being adversely affected by the
21 failure referred to in subparagraph (B); and

22 “(D) describes the extent of the adverse ef-
23 fect.

24 “(4) If 2 or more requests are filed during any
25 period described in paragraph (2) regarding the

1 same trade agreement, all of such requests shall be
2 joined in a single review of the trade agreement.

3 “(c) REVIEW.—

4 “(1) If 1 or more requests regarding any trade
5 agreement are received during any period described
6 in subsection (b)(2), then within 90 days after the
7 last day of such period the Trade Representative
8 shall determine whether the foreign country is in
9 material compliance with the terms of the trade
10 agreement.

11 “(2) In making a determination under para-
12 graph (1), the Trade Representative shall take into
13 account—

14 “(A) the extent to which the foreign coun-
15 try has adhered to the commitments it made to
16 the United States;

17 “(B) the extent to which that degree of ad-
18 herence has achieved the objectives of the
19 agreement; and

20 “(C) any act, policy, or practice of the for-
21 eign country, or other relevant factor, that may
22 have contributed directly or indirectly to mate-
23 rial noncompliance with the terms of the agree-
24 ment.

1 The acts, policies, or practices referred to in sub-
2 paragraph (C) may include structural policies, tariff
3 or nontariff barriers, or other actions which affect
4 compliance with the terms of the agreement.

5 “(3) In conducting any review under para-
6 graph (1), the Trade Representative may, if the
7 Trade Representative considers such action nec-
8 essary or appropriate—

9 “(A) consult with the Secretary of Com-
10 merce and the Secretary of Agriculture;

11 “(B) seek the advice of the United States
12 International Trade Commission; and

13 “(C) provide opportunity for the presen-
14 tation of views by the public.

15 “(d) ACTION AFTER AFFIRMATIVE DETERMINA-
16 TION.—

17 “(1) If, on the basis of the review carried out
18 under subsection (c), the Trade Representative de-
19 termines that a foreign country is not in material
20 compliance with the terms of a trade agreement, the
21 Trade Representative shall determine what action to
22 take under section 301(a).

23 “(2) For purposes of section 301, any deter-
24 mination made under subsection (c) shall be treated
25 as a determination made under section 304.

1 “(3) In determining what action to take under
2 section 301(a), the Trade Representative shall seek
3 to minimize the adverse impact on existing business
4 relations or economic interests of United States per-
5 sons, including products for which a significant vol-
6 ume of trade does not currently exist.

7 “(e) INTERNATIONAL OBLIGATIONS.—Nothing in
8 this section may be construed as requiring actions that
9 are inconsistent with the international obligations of the
10 United States, including the General Agreement on Tar-
11 iffs and Trade.”.

12 **SEC. 3. CONFORMING AMENDMENTS.**

13 (a) CONGRESSIONAL NOTIFICATION.—Section
14 309(3)(A) of the Trade Act of 1974 (19 U.S.C.
15 2419(3)(A)) is amended by striking out “section 302,”
16 and inserting “sections 302 and 306A(c),”.

17 (b) TABLE OF CONTENTS.—The table of contents of
18 the Trade Act of 1974 relating to chapter 1 of title III
19 is amended by inserting after the item relating to section
20 306 the following:

 “Sec. 306A. Requests for review of foreign compliance.”.

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