

104TH CONGRESS
2^D SESSION

H. R. 4289

To provide a more effective remedy for inadequate trade benefits extended to the United States by other countries and for restrictions on free emigration imposed by other countries.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 28, 1996

Mr. BEREUTER introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, 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

A BILL

To provide a more effective remedy for inadequate trade benefits extended to the United States by other countries and for restrictions on free emigration imposed by other countries.

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 “Fair Trade Opportuni-
5 ties Act”.

1 **SEC. 2. STATEMENT OF PURPOSE.**

2 It is the purpose of this Act to enable the President
3 to—

4 (1) remedy the actions or policies of countries
5 that do not accord adequate trade benefits to the
6 United States, including substantially equal competi-
7 tive opportunities for the commerce of the United
8 States;

9 (2) negotiate more equitable tariff and other
10 trade benefits for the people of the United States;

11 (3) sanction non market economy countries that
12 deny or unduly restrict the right or opportunity of
13 their citizens to emigrate; and

14 (4) adjust and simplify the trade laws of the
15 United States to better respond to the realities of a
16 post-Cold War world.

17 **SEC. 3. REPEAL OF JACKSON-VANIK.**

18 (a) TITLE IV OF TRADE ACT OF 1974.—Title IV of
19 the Trade Act of 1974 (19 U.S.C. 2431 and following),
20 and the items relating to title IV in the table or contents
21 of that Act, are repealed.

22 (b) HARMONIZED TARIFF SCHEDULE OF THE UNIT-
23 ED STATES.—

24 General Note 3 of the Harmonized Tariff Schedule
25 of the United States is amended—

1 (1) in the matter that precedes subdivision

2 (a)—

3 (A) by striking “columns” and inserting

4 “column”; and

5 (B) by striking “and 2”; and

6 (2) by striking subdivision (b).

7 (c) EFFECTIVE DATE.—The provisions of subsection
8 (a) and the amendments made by subsection (b) apply to
9 articles entered, or withdrawn from warehouse for con-
10 sumption, on or after the 15th day after the date of the
11 enactment of this Act.

12 **SEC. 4. OUTSTANDING TRADE AGREEMENTS.**

13 (a) IN GENERAL.—Any trade agreement that—

14 (1) was entered into by the United States under
15 title IV of the Trade Act of 1974 (as such title is
16 in effect on the day before the date of the enactment
17 of this Act), and

18 (2) is in effect on the day before such date of
19 enactment,

20 shall remain in effect until such agreement expires or is
21 terminated or otherwise suspended.

22 (b) OTHER AGREEMENTS.—Nothing in this Act shall
23 be deemed to alter, amend, or otherwise affect the terms
24 of any trade agreement entered into by the United States

1 pursuant to provisions other than such title IV of the
2 Trade Act of 1974.

3 **SEC. 5. OTHER AUTHORITIES NOT AFFECTED.**

4 Nothing in this Act shall affect—

5 (1) the authority of the United States Trade
6 Representative or the President to take action under
7 section 301 of the Trade Act of 1974; or

8 (2) the authorities of the President under other
9 provisions of law to increase duties on articles from
10 other countries, or to prohibit or impose other re-
11 strictions on imports of articles from other coun-
12 tries, including section 111(c) of the Uruguay
13 Round Agreements Act (19 U.S.C. 3521(c)), section
14 5(b) of the Trading with the Enemy Act (50 U.S.C.
15 App. 5(b)), section 203 of the International Emer-
16 gency Economic Powers Act (50 U.S.C. 1702), and
17 sections 504(a) and 505(a) (22 U.S.C. 2349aa-9) of
18 the International Security and Development Co-
19 operation Act of 1985.

20 **SEC. 6. SNAP-BACK MECHANISM FOR NON-WTO MEMBERS.**

21 (a) DETERMINATION WITH RESPECT TO NON-WTO
22 MEMBERS.—Within 180 days after the date of the enact-
23 ment of this Act, the President shall consult with the ap-
24 propriate congressional committees and determine wheth-
25 er each foreign country that is not a WTO member is not

1 according adequate trade benefits to the United States,
2 including substantially equal competitive opportunities for
3 the commerce of the United States.

4 (b) TARIFF INCREASE.—

5 (1) IMPOSITION OF INCREASE.—If the Presi-
6 dent determines under subsection (a) that a foreign
7 country is not according adequate trade benefits to
8 the United States, then the President shall proclaim,
9 within 180 days after the date of that determina-
10 tion, an increase in the rate of duty with respect to
11 one or more products of that country to not more
12 than the column 1 rate of duty under the Har-
13 monized Tariff Schedule of the United States that
14 applied to the article or articles on December 31,
15 1994.

16 (2) TERMINATION OF INCREASE.—The Presi-
17 dent shall terminate any increase in the rate of duty
18 imposed under paragraph (1) with respect to a coun-
19 try on the earlier of—

20 (A) the date the country becomes a WTO
21 member; or

22 (B) the date on which the President pro-
23 claims that the country is according adequate
24 trade benefits to the United States, including

1 substantially equal competitive opportunities for
2 the commerce of the United States.

3 (c) RATE OF DUTY IN ABSENCE OF COMMERCIAL
4 AGREEMENT.—In the case of a country that is not a WTO
5 member and is not a party to a commercial agreement
6 with the United States that substantially meets the re-
7 quirements of section 405 of the Trade Act of 1974 (as
8 in effect on the day before the date of the enactment of
9 this Act), other than the requirement that the agreement
10 be limited to a period of not more than 3 years, the column
11 2 rate of duty under the Harmonized Tariff Schedule of
12 the United States shall apply to the products of that coun-
13 try.

14 (d) DEFINITIONS.—For purposes of this section—

15 (1) the term “WTO member” means a state, or
16 separate customs territory (within the meaning of
17 Article XII of the WTO Agreement), with respect to
18 which the United States applies the WTO Agree-
19 ment; and

20 (2) the term “WTO Agreement” means the
21 Agreement Establishing the World Trade Organiza-
22 tion entered into on April 15, 1994.

23 **SEC. 7. OTHER AUTHORITY TO INCREASE TARIFFS.**

24 (a) AUTHORITY.—Notwithstanding any other provi-
25 sion of law, the President is authorized to increase the

1 rate of duty on any product of a non market economy
2 country that is not a WTO member to not more than the
3 column 1 rate of duty under the Harmonized Tariff
4 Schedule of the United States that applied to that product
5 on December 31, 1994, if that country—

6 (1) denies its citizens the right or opportunity
7 to emigrate;

8 (2) imposes more than a nominal tax on emi-
9 gration or on visas or other documents required for
10 emigration, for any purpose or cause whatsoever; or

11 (3) imposes more than a nominal tax, levy, fine,
12 fee, or other charge on any citizen as a consequence
13 of the desire of such citizen to emigrate to the coun-
14 try of his or her choice.

15 **SEC. 8. CONFORMING AMENDMENTS.**

16 (a) TRADE ACT OF 1974.—

17 (1) Section 151 of the Trade Act of 1974 (19
18 U.S.C. 2191) is amended—

19 (A) in subsection (a)(1)—

20 (i) by striking “approval resolutions
21 described in subsection (b)(3), and resolu-
22 tions described in subsections 152(a) and
23 153(a)” and inserting “and resolutions de-
24 scribed in section 152(a)”;

1 (B) in subsection (b), by striking para-
2 graph (3);

3 (C) in subsection (c)—

4 (i) by striking “(c) INTRODUCTION
5 AND REFERRAL.—”;

6 (ii) by moving the remaining text of
7 paragraph (1) 2 ems to the left;

8 (iii) by striking “(1) On the day”
9 and inserting—

10 “(c) INTRODUCTION AND REFERRAL.—On the day”;

11 and

12 (iv) by striking paragraph (2);

13 (D) in subsection (d), by striking “or ap-
14 proval resolution”; and

15 (E) in subsections (e), (f), and (g)—

16 (i) by striking “or approval resolu-
17 tion” each place it appears; and

18 (ii) by striking “or resolution” each
19 place it appears.

20 (2) Section 152 of the Trade Act of 1974 (19
21 U.S.C. 2192) is amended—

22 (A) by amending subsection (a) to read as
23 follows:

24 “(a) CONTENTS OF RESOLUTION.—For purposes of
25 this section, the term ‘resolution’ means only a joint reso-

1 lution of the two Houses of the Congress, the matter after
2 the resolving clause of which is as follows: ‘That the Con-
3 gress does not approve the action taken by, or the deter-
4 mination of, the President under section 203 of the Trade
5 Act of 1974 transmitted to the Congress on _____.’,
6 with the blank space being filled with the appropriate
7 date.’; and

8 (B) in subsection (f)—

9 (i) in paragraph (2), by striking “or
10 153(a), whichever is applicable,”; and

11 (ii) in paragraph (3), by striking “or
12 section 153(a)”.

13 (3) Section 153 of the Trade Act of 1974 (19
14 U.S.C. 2193), and the item relating to that section
15 in the table of contents for that Act, are repealed.

16 (4) Section 154 of the Trade Act of 1974 (19
17 U.S.C. 2194) is amended—

18 (A) in subsection (a), by striking “203(b),
19 402(d), or 407(a) or (b)” and inserting “or
20 203(b)”;

21 (B) by striking “sections 203(c),
22 407(c)(2), and 407(c)(3)” and inserting “sec-
23 tion 203(c)”.

24 (b) OTHER PROVISIONS OF LAW.—

1 (1) Section 330(d) of the Tariff Act of 1930
2 (19 U.S.C. 1330(d)) is amended—

3 (A) in paragraph (1), by striking “to de-
4 termine—

5 “(A) under”

6 and all that follows through “and the commis-
7 sioners” and inserting “to determine, under
8 section 202 of the Trade Act of 1974, whether
9 increased imports of an article are a substantial
10 cause of serious injury, or the threat thereof, as
11 described in subsection (b)(1) of that section
12 (hereafter in this subsection referred to as ‘seri-
13 ous injury’), and the commissioners”;

14 (B) in paragraph (2)—

15 (i) by striking “or 406”;

16 (ii) by striking “or market disruption
17 exists, respectively”; and

18 (iii) by striking “or the finding under
19 section 406(a)(3) of such Act, as the case
20 may be”.

21 (2) Section 1102(b)(1) of the Trade Agree-
22 ments Act of 1979 (19 U.S.C. 2581(b)(1)) is
23 amended by striking “301, or 406” and “2411, or
24 2436” and inserting “or 301” and “or 2411”, re-
25 spectively.

1 (3) Section 2(c)(11) of the Support for East
2 European Democracy (SEED) Act of 1989 (22
3 U.S.C. 5401(c)(11)) is amended to read as follows:

4 “(11) MOST-FAVORED-NATION TRADE STA-
5 TUS.—The granting of nondiscriminatory treatment
6 (most-favored-nation treatment) to the products of
7 an East European country.”.

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