

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

# H. R. 5196

To amend the Export Enhancement Act of 1988 to establish the Office of Trade Promotion in the Executive Office of the President, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2006

Mr. MANZULLO (for himself, Mr. MICA, and Mrs. KELLY) introduced the following bill; which was referred to the Committee on International Relations, and in addition to the Committee on Small Business, 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 amend the Export Enhancement Act of 1988 to establish the Office of Trade Promotion in the Executive Office of the President, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Small Business Trade Promotion Enhancement Act of  
6 2006”.

1 (b) TABLE OF CONTENTS.—The table of contents of  
 2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Purpose.

#### TITLE I—OFFICE OF TRADE PROMOTION

##### Subtitle A—Amendments to Export Enhancement Act of 1988

- Sec. 101. Establishment and purpose.
- Sec. 102. Duties.
- Sec. 103. Strategic plan.
- Sec. 104. Director and Associate Directors.
- Sec. 105. Staff; experts and consultants.
- Sec. 106. Advisory Board on Trade Promotion.
- Sec. 107. Report to Congress.
- Sec. 108. Report on export policy.
- Sec. 109. Authorization of appropriations.
- Sec. 110. Clerical amendment.
- Sec. 111. Effective date.

##### Subtitle B—Conforming Amendments to Other Laws; References

- Sec. 121. Conforming amendments to other laws.
- Sec. 122. References.

#### TITLE II—TRADE PROVISIONS RELATING TO SMALL BUSINESS

- Sec. 201. Establishment of Associate Administrator for International Trade in Small Business Administration.

### 3 **SEC. 2. FINDINGS.**

4 Congress finds the following:

5 (1) As the world’s largest economy, the United  
 6 States has an enormous stake in the future of the  
 7 global trading system.

8 (2) Exports are a crucial force driving the  
 9 United States economy and job creation.

10 (3) While nearly 97 percent of United States  
 11 exporters are small and medium enterprises (SMEs),

1 SMEs account for just over one-fourth of exports,  
2 leaving much room for growth.

3 (4) Two-thirds of United States exporters have  
4 fewer than 20 employees and sell to just one foreign  
5 market.

6 (5) Manufacturers account for 61 percent of  
7 total United States exports with small manufactur-  
8 ers accounting for approximately 15 percent of total  
9 United States exports. Thirty percent of small man-  
10 ufacturers do not currently export but would con-  
11 sider doing so if they had more help in securing vital  
12 information on foreign markets, customers, and ex-  
13 port procedures.

14 (6) United States small and medium enterprises  
15 face tough competition from trading partners of the  
16 United States that aggressively undertake export  
17 promotion programs that directly support and un-  
18 derwrite the expanded growth in trade of their small  
19 and medium enterprises.

20 (7) United States trade promotion is carried  
21 out in part by 21 departments and agencies of the  
22 Federal Government. Representatives from these  
23 Federal departments and agencies are members of  
24 the Trade Promotion Coordinating Committee  
25 (TPCC), a Federal committee that has not lived up

1 to congressional intent to provide a seamless offering  
2 of export promotion products and services due in  
3 part to the inadequate allocation of resources and a  
4 lack of ultimate decision making budget input au-  
5 thority to ensure effective results are achieved for  
6 the invested resources.

7 (8) United States small and medium enterprises  
8 lack an effective voice in trade policy formulation,  
9 implementation, and promotion due in part to inad-  
10 equate resource distribution by the Small Business  
11 Administration that would aggressively champion  
12 trade issues for small and medium enterprises in all  
13 fora.

14 **SEC. 3. PURPOSE.**

15 The purpose of this Act and the amendments made  
16 by this Act is to improve the performance and results of  
17 trade promotion policies and programs of the Federal Gov-  
18 ernment in accordance with the Government Performance  
19 and Results Act of 1993 (Public Law 103-62).

1           **TITLE I—OFFICE OF TRADE**  
2                           **PROMOTION**  
3       **Subtitle A—Amendments to Export**  
4                   **Enhancement Act of 1988**

5       **SEC. 101. ESTABLISHMENT AND PURPOSE.**

6           Section 2312 of the Export Enhancement Act of  
7       1988 (15 U.S.C. 4727) is amended—

8                   (1) in subsection (a)—

9                           (A) in the matter preceding paragraph

10                               (1)—

11                                   (i) by inserting “in the Executive Of-  
12                                   fice of the President” after “shall estab-  
13                                   lish”;

14                                   (ii) by striking “Trade Promotion Co-  
15                                   ordinating Committee” and inserting “Of-  
16                                   fice of Trade Promotion”; and

17                                   (iii) by striking “TPCC” each place it  
18                                   appears and inserting “Office”;

19                                   (B) in paragraph (1), by inserting “and  
20                                   oversee” after “to coordinate”; and

21                                   (C) in paragraph (2), by inserting “and  
22                                   supervise implementation of” after “to de-  
23                                   velop”; and

1           (2) in subsections (b) through (f), by striking  
2           “TPCC” each place it appears and inserting “Of-  
3           fice”.

4 **SEC. 102. DUTIES.**

5           Section 2312(b) of the Export Enhancement Act of  
6 1988 (15 U.S.C. 4727(b)) is amended—

7           (1) by redesignating paragraphs (1) through  
8           (6) as paragraphs (2) through (7), respectively;

9           (2) by inserting before paragraph (2) (as redesi-  
10          gnated) the following new paragraph:

11           “(1) advise the President, and others within the  
12          Executive Office of the President, on matters relat-  
13          ing to trade promotion policies and programs of the  
14          United States Government;”.

15           (3) in paragraph (2) (as redesignated), by strik-  
16          ing “coordinate” and inserting “supervise”;

17           (4) in paragraph (4) (as redesignated)—

18           (A) in the matter preceding subparagraph

19          (A)—

20           (i) by inserting “and attainment of  
21          measurable results” after “better delivery  
22          of services”; and

23           (ii) by inserting “with emphasis on  
24          small and medium enterprises” after  
25          “United States businesses”; and

1 (B) in subparagraph (C), by adding at the  
2 end before the semicolon the following: “, in-  
3 cluding assistance to match United States busi-  
4 nesses with foreign businesses, as appropriate”;

5 (5) in paragraph (5) (as redesignated), by in-  
6 serting “and enhance the effectiveness of” after  
7 “prevent unnecessary duplication in”; and

8 (6) in paragraph (6) (as redesignated) to read  
9 as follows:

10 “(6) review and make input on the appropriate  
11 levels and allocation of resources among agencies in  
12 support of export promotion and export financing  
13 and advise the President as to the concurrence in  
14 these allocations based on its review; and”.

15 **SEC. 103. STRATEGIC PLAN.**

16 Section 2312(c) of the Export Enhancement Act of  
17 1988 (15 U.S.C. 4727(c)) is amended—

18 (1) in paragraph (1)—

19 (A) by striking “and explain” and insert-  
20 ing “, explain”; and

21 (B) by adding at the end before the semi-  
22 colon the following: “, and detail the bench-  
23 marks for the implementation of the priorities”;

24 (2) in paragraph (2), by inserting “and effec-  
25 tiveness” after “to improve coordination”; and

1 (3) in paragraph (4)—

2 (A) by striking “propose to the President  
3 an annual” and inserting “include in the an-  
4 nual Federal budget submission to Congress a  
5 detailed”;

6 (B) by striking “that supports” and insert-  
7 ing “and oversee its implementation so it sup-  
8 ports”; and

9 (C) by adding “and” after the semicolon;  
10 (4) in paragraph (5), by striking “; and” and  
11 inserting a period; and

12 (5) by striking paragraph (6).

13 **SEC. 104. DIRECTOR AND ASSOCIATE DIRECTORS.**

14 Section 2312 of the Export Enhancement Act of  
15 1988 (15 U.S.C. 4727) is amended by striking subsection  
16 (d) and inserting the following new subsection:

17 “(d) DIRECTOR AND ASSOCIATE DIRECTORS.—

18 “(1) DIRECTOR.—There shall be at the head of  
19 the Office a Director of the Office of Trade Pro-  
20 motion, who shall—

21 “(A) be appointed by the President, by and  
22 with the advice and consent of the Senate; and

23 “(B) be compensated at a rate consistent  
24 with the compensation of the directors of other



1 offices within the Executive Office of the Presi-  
2 dent.

3 “(2) ASSOCIATE DIRECTORS.—The President  
4 may appoint not more than two Associate Directors  
5 of the Office of Trade Promotion, by and with the  
6 advice and consent of the Senate, who shall each—

7 “(A) be compensated at a rate not to ex-  
8 ceed the rate provided for other associate direc-  
9 tors of offices within the Executive Office of the  
10 President; and

11 “(B) perform such functions as the Direc-  
12 tor may prescribe.”.

13 **SEC. 105. STAFF; EXPERTS AND CONSULTANTS.**

14 Section 2312 of the Export Enhancement Act of  
15 1988 (15 U.S.C. 4727) is amended by striking subsection  
16 (e) and inserting the following new subsection:

17 “(e) STAFF; EXPERTS AND CONSULTANTS.—

18 “(1) STAFF.—

19 “(A) IN GENERAL.—The Director of the  
20 Office may appoint and fix the pay of additional  
21 personnel as the Director considers appropriate.

22 “(B) STAFF OF FEDERAL AGENCIES.—  
23 Upon request of the Director, the head of any  
24 Federal department or agency that is rep-  
25 resented on the Advisory Board on Trade Pro-

1 motion established pursuant to subsection (f)  
 2 may detail any of the personnel of that depart-  
 3 ment or agency to the Office to assist it in car-  
 4 rying out its duties under this section.

5 “(2) EXPERTS AND CONSULTANTS.—The Direc-  
 6 tor of the Office may procure temporary and inter-  
 7 mittent services under section 3109(b) of title 5,  
 8 United States Code, but at rates for individuals not  
 9 to exceed the daily equivalent of the maximum an-  
 10 nual rate of basic pay for GS–15 of the General  
 11 Schedule.”.

12 **SEC. 106. ADVISORY BOARD ON TRADE PROMOTION.**

13 (a) ADVISORY BOARD ON TRADE PROMOTION.—Sec-  
 14 tion 2312 of the Export Enhancement Act of 1988 (15  
 15 U.S.C. 4727) is amended—

16 (1) by redesignating subsection (f) as sub-  
 17 section (g); and

18 (2) by inserting after subsection (e) the fol-  
 19 lowing new subsection:

20 “(f) ADVISORY BOARD ON TRADE PROMOTION.—

21 “(1) ESTABLISHMENT AND PURPOSE.—The  
 22 President shall establish the Advisory Board on  
 23 Trade Promotion (hereafter in this subsection re-  
 24 ferred to as the ‘Advisory Board’). The purpose of  
 25 the Advisory Board shall be to advise the Director

1 of the Office in carrying out the duties of the Office  
2 under this section and section 6 of the Export En-  
3 hancement Act of 1999 (15 U.S.C. 4727a).

4 “(2) MEMBERSHIP.—

5 “(A) IN GENERAL.—Members of the Advi-  
6 sory Board shall include representatives from—

7 “(i) the Department of Agriculture;

8 “(ii) the Department of Commerce;

9 “(iii) the Department of Defense;

10 “(iv) the Department of Energy;

11 “(v) the Department of the Interior;

12 “(vi) the Department of Labor;

13 “(vii) the Department of State;

14 “(viii) the Department of Transpor-  
15 tation;

16 “(ix) the Department of the Treasury;

17 “(x) the Environmental Protection  
18 Agency;

19 “(xi) the Export-Import Bank of the  
20 United States;

21 “(xii) the United States Agency for  
22 International Development;

23 “(xiii) the Office of Management and  
24 Budget;

1                   “(xiv) the Overseas Private Invest-  
2                   ment Corporation;

3                   “(xv) the Small Business Administra-  
4                   tion;

5                   “(xvi) the Trade and Development  
6                   Agency;

7                   “(xvii) the Office of the United States  
8                   Trade Representative; and

9                   “(xviii) at the discretion of the Presi-  
10                  dent, such other departments or agencies  
11                  as may be necessary.

12                  “(B) CHAIRPERSON.—The Secretary of  
13                  Commerce shall serve as the chairperson of the  
14                  Advisory Board.

15                  “(3) MEMBER QUALIFICATIONS.—Members of  
16                  the Advisory Board shall be appointed by the heads  
17                  of their respective departments or agencies. Such  
18                  members, as well as alternates designated by any  
19                  members unable to attend a meeting of the Advisory  
20                  Board, shall be individuals who exercise significant  
21                  decisionmaking authority in their respective depart-  
22                  ments or agencies.”.

23                  (b) ENVIRONMENTAL TRADE PROMOTION.—

24                   (1) ENVIRONMENTAL TRADE WORKING  
25                  GROUP.—Section 2313(b) of the Export Enhance-

1 ment Act of 1988 (15 U.S.C. 4728(b)) is amend-  
2 ed—

3 (A) in the heading, by striking “TRADE  
4 PROMOTION COORDINATION COMMITTEE” and  
5 inserting “ADVISORY BOARD ON TRADE PRO-  
6 MOTION” ;

7 (B) in paragraph (1)—

8 (i) by striking “Trade Promotion Co-  
9 ordination Committee” and inserting “Ad-  
10 visory Board on Trade Promotion”; and

11 (ii) by striking “TPCC” and inserting  
12 “Advisory Board”;

13 (C) in paragraph (2)(A), by striking  
14 “TPCC” and inserting “Advisory Board”; and

15 (D) in paragraph (4) to read as follows:

16 “(4) REPORT TO CONGRESS.—The chairperson  
17 of the Advisory Board shall submit to the Director  
18 of the Office of Trade Promotion a report on the ac-  
19 tivities of the Working Group to be included in the  
20 annual report submitted to Congress by the Director  
21 of the Office pursuant to section 2312(g).”.

22 (2) ENVIRONMENTAL TECHNOLOGIES TRADE  
23 ADVISORY COMMITTEE.—Section 2313(c)(1) of the  
24 Export Enhancement Act of 1988 (15 U.S.C.

1 4728(e)(1)) is amended by striking “TPCC” and in-  
2 serting “Advisory Board”.

3 (3) INTERNATIONAL REGIONAL ENVIRON-  
4 MENTAL INITIATIVES.—Section 2313(h) of the Ex-  
5 port Enhancement Act of 1988 (15 U.S.C. 4728(h))  
6 is amended by striking “TPCC” each place it ap-  
7 pears and inserting “Office of Trade Promotion”.

8 **SEC. 107. REPORT TO CONGRESS.**

9 (a) REPORT TO CONGRESS.—Section 2312(g) of the  
10 Export Enhancement Act of 1988 (as redesignated by sec-  
11 tion 106(a)(1) of this subtitle) is amended to read as fol-  
12 lows:

13 “(g) REPORT TO CONGRESS.—

14 “(1) IN GENERAL.—The Director of the Office  
15 shall prepare and submit to the appropriate congress-  
16 sional committees an annual report that describes  
17 the strategic plan developed by the Office pursuant  
18 to subsection (c), the implementation of the plan  
19 and any revisions thereto, and the extent to which  
20 funding for the plan is appropriate.

21 “(2) DEFINITION.—In this subsection, the term  
22 ‘appropriate congressional committees’ means—

23 “(A) the Committee on Banking, Housing,  
24 and Urban Affairs and the Committee on Small

1 Business and Entrepreneurship of the Senate;  
2 and

3 “(B) the Committee on International Rela-  
4 tions and the Committee on Small Business of  
5 the House of Representatives.”.

6 **SEC. 108. REPORT ON EXPORT POLICY.**

7 Section 2314(b)(1)(B) of the Export Enhancement  
8 Act of 1988 (15 U.S.C. 4729(b)(1)(B)) is amended to  
9 read as follows:

10 “(B) the report of the Director of the Of-  
11 fice of Trade Promotion that contains the stra-  
12 tegic plan submitted to Congress in accordance  
13 with section 2312(g);”.

14 **SEC. 109. AUTHORIZATION OF APPROPRIATIONS.**

15 Section 2312 of the Export Enhancement Act of  
16 1988 (15 U.S.C. 4727), as amended by this subtitle, is  
17 further amended by adding at the end the following new  
18 subsection:

19 “(h) AUTHORIZATION OF APPROPRIATIONS.—

20 “(1) IN GENERAL.—There are authorized to be  
21 appropriated to carry out this section and section  
22 2313, section 6 of the Export Enhancement Act of  
23 1999, and section 304 of the FREEDOM Support  
24 Act such sums as may be necessary for fiscal year  
25 2007 and each subsequent fiscal year.

1           “(2) AVAILABILITY.—Amounts appropriated  
2           pursuant to the authorization of appropriations  
3           under paragraph (1) are authorized to remain avail-  
4           able until expended.”.

5 **SEC. 110. CLERICAL AMENDMENT.**

6           Section 2312 of the Export Enhancement Act of  
7 1988 (15 U.S.C. 4727(a)) is amended in the heading by  
8 striking “**TRADE PROMOTION COORDINATING COM-**  
9 **MITTEE**” and inserting “**OFFICE OF TRADE PRO-**  
10 **MOTION**”.

11 **SEC. 111. EFFECTIVE DATE.**

12           The President shall establish the Office of Trade Pro-  
13 motion and the Advisory Board on Trade Promotion pur-  
14 suant to section 2312 of the Export Enhancement Act of  
15 1988 (as amended by this subtitle) not later than 180  
16 days after the date of the enactment of this Act.

17 **Subtitle B—Conforming Amend-**  
18 **ments to Other Laws; Ref-**  
19 **erences**

20 **SEC. 121. CONFORMING AMENDMENTS TO OTHER LAWS.**

21           (a) EXPORT ENHANCEMENT ACT OF 1999.—The Ex-  
22 port Enhancement Act of 1999 is amended—

23           (1) in section 6 (15 U.S.C. 1547a)—



1 (A) in the heading, by striking “**TPCC**”  
2 and inserting “**THE OFFICE OF TRADE PRO-**  
3 **MOTION**”;

4 (B) in the matter preceding paragraph (1),  
5 by striking “Trade Promotion Coordinating  
6 Committee” and inserting “Office of Trade  
7 Promotion”; and

8 (C) in paragraph (3), by striking  
9 “includng” and inserting “including”; and

10 (2) in the heading of section 7, by striking  
11 “**TPCC REPORTS**” and inserting “**REPORTS OF**  
12 **THE OFFICE OF TRADE PROMOTION**”.

13 (b) FREEDOM SUPPORT ACT.—The FREEDOM  
14 Support Act is amended—

15 (1) in section 303(b) (22 U.S.C. 5823(b)), by  
16 striking “Chair of the Trade Promotion Coordi-  
17 nating Committee” and inserting “Director of the  
18 Office of Trade Promotion”;

19 (2) in section 304 (22 U.S.C. 5824)—

20 (A) in the heading, by striking “**TRADE**  
21 **PROMOTION COORDINATING COMMITTEE**”  
22 and inserting “**OFFICE OF TRADE PRO-**  
23 **MOTION**”; and

24 (B) in the matter preceding paragraph (1),  
25 by striking “Trade Promotion Coordinating

1           Committee” and inserting “Office of Trade  
2           Promotion”; and

3           (3) by amending the item relating to section  
4           304 of the table of contents to read as follows:

“Sec. 304. Interagency working group on energy of the Office of Trade Pro-  
motion”.

5           (c) EXPORT-IMPORT BANK ACT OF 1945.—Section  
6           2(b)(1)(A) of the Export-Import Bank Act of 1945 (12  
7           U.S.C. 635(b)(1)(A)) is amended by striking “Trade Pro-  
8           motion Coordinating Committee” and inserting “Office of  
9           Trade Promotion”.

10   **SEC. 122. REFERENCES.**

11           Any reference in a law, regulation, document, or  
12           other record of the United States to the Trade Promotion  
13           Coordinating Committee or TPCC shall be deemed to be  
14           a reference to the Office of Trade Promotion.

15    **TITLE II—TRADE PROVISIONS**  
16    **RELATING TO SMALL BUSINESS**

17    **SEC. 201. ESTABLISHMENT OF ASSOCIATE ADMINISTRATOR**  
18                           **FOR INTERNATIONAL TRADE IN SMALL BUSI-**  
19                           **NESS ADMINISTRATION.**

20           (a) ESTABLISHMENT.—Section 22(a) of the Small  
21           Business Act (15 U.S.C. 649(a)) is amended by adding  
22           at the end the following: “The head of the Office shall  
23           be the Associate Administrator for International Trade,

1 who shall be an employee in the Senior Executive Service  
2 and shall be responsible to the Administrator.”.

3 (b) AUTHORITY FOR ADDITIONAL ASSOCIATE AD-  
4 MINISTRATOR.—Section 4(b)(1) of the Small Business Act  
5 (15 U.S.C. 633(b)(1)) is amended—

6 (1) in the fifth sentence, by striking “five Asso-  
7 ciate Administrators” and inserting “Associate Ad-  
8 ministrators”; and

9 (2) by adding at the end the following: “One of  
10 the Associate Administrators shall be the Associate  
11 Administrator for International Trade, who shall be  
12 the head of the Office of International Trade estab-  
13 lished under section 22.”.

14 (c) DISCHARGE OF ADMINISTRATION INTER-  
15 NATIONAL TRADE RESPONSIBILITIES.—Section 22 of the  
16 Small Business Act, as amended by subsection (a), is fur-  
17 ther amended by adding at the end the following new sub-  
18 section:

19 “(h) The Administrator shall ensure that—

20 “(1) the responsibilities of the Administration  
21 regarding international trade are carried out  
22 through the Associate Administrator for Inter-  
23 national Trade;

1           “(2) the Associate Administrator for Inter-  
2           national Trade has sufficient resources to carry out  
3           such responsibilities; and

4           “(3) the Associate Administrator for Inter-  
5           national Trade has direct supervision and control  
6           over the staff of the Office of International Trade,  
7           and over any employee of the Administration whose  
8           principal duty station is a United States Export As-  
9           sistance Center or any successor entity.”.

10          (d) ROLE OF ASSOCIATE ADMINISTRATOR IN CAR-  
11          RYING OUT INTERNATIONAL TRADE POLICY.—Section  
12          2(b)(1) of such Act (15 U.S.C. 631(b)(1)) is amended in  
13          the matter preceding subparagraph (A)—

14                 (1) by inserting “the Administrator of” before  
15                 “the Small Business Administration”; and

16                 (2) by inserting “through the Associate Admin-  
17                 istrator for International Trade” before “in coopera-  
18                 tion with”.

19          (e) CONFORMING AMENDMENTS.—Section 22 of the  
20          Small Business Act (15 U.S.C. 649), as amended by sub-  
21          sections (a) and (c) is further amended—

22                 (1) in subsection (b)—

23                         (A) in the matter preceding paragraph (1),  
24                         by striking “The Office” and inserting “The  
25                         Associate Administrator”; and

1 (B) in paragraph (3), by striking “the di-  
2 rector of the Office” and inserting “the Asso-  
3 ciate Administrator”;

4 (2) in subsection (c) in the matter preceding  
5 paragraph (1), by striking “The Office” and insert-  
6 ing “The Associate Administrator”;

7 (3) in subsection (d), by striking “Office” both  
8 places it appears and inserting “Associate Adminis-  
9 trator”;

10 (4) in subsection (e), in the matter preceding  
11 paragraph (1), by striking “The Office” and insert-  
12 ing “The Associate Administrator”; and

13 (5) in subsections (f) and (g), by striking “The  
14 Office” and inserting “The Associate Adminis-  
15 trator”.

16 (f) TECHNICAL AMENDMENT.—Section 22 of the  
17 Small Business Act (15 U.S.C. 649), as amended by sub-  
18 sections (a), (c), and (e), is further amended by striking  
19 the period at the end of subsection (c)(5) and inserting  
20 a semicolon.

21 (g) EFFECTIVE DATE.—The Administrator shall ap-  
22 point an Associate Administrator for International Trade  
23 pursuant to sections 4 and 22 of the Small Business Act

1 (15 U.S.C. 648) (as amended by this section) not later  
2 than 90 days after the date of the enactment of this Act.

○