

109TH CONGRESS
2^D 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.

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

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.

○