

119TH CONGRESS  
2D SESSION

# H. R. 8025

To provide for an investigation of Canadian digital trade practices, and  
for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 19, 2026

Mr. SMUCKER (for himself, Mr. STEUBE, Ms. MALLIOTAKIS, Mr. MORAN, Mr. KELLY of Pennsylvania, and Mrs. MILLER of West Virginia) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To provide for an investigation of Canadian digital trade  
practices, 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.**

4 This Act may be cited as the “Protecting American  
5 Streaming and Innovation Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Digital trade is a critical engine of the  
9 United States economy, allowing American compa-

1       nies to deliver innovative audiovisual and audio  
2       products and services globally, creating high-paying  
3       jobs in the United States and exporting American  
4       culture and values.

5           (2) The United States-Mexico-Canada Agree-  
6       ment (USMCA), which entered into force on July 1,  
7       2020, includes a robust digital trade chapter in-  
8       tended to prevent discriminatory barriers and ensure  
9       a level playing field for North American digital serv-  
10      ice providers.

11          (3) Canada’s law, the Online Streaming Act,  
12      empowers Canadian regulators to apply “contribu-  
13      tion” and “discoverability” obligations to audio and  
14      audio-visual content, resulting in a revenue-based  
15      tax that targets American companies.

16          (4) Canada has chosen to exempt domestic  
17      streaming companies from these obligations, while  
18      applying strict obligations to U.S.-based companies.  
19      The contribution obligations currently require U.S.  
20      companies to pay mandatory high-percentage con-  
21      tributions based on models derived from traditional  
22      broadcasters and direct these funds exclusively to  
23      domestic cultural funds. They also require U.S.  
24      audio streaming companies to pay twice because roy-  
25      alties paid by audio services to Canadian

1       rightsholders are included in services’ taxable rev-  
2       enue. Discoverability obligations potentially require  
3       U.S. companies to undertake costly and technically  
4       burdensome platform modifications, including the  
5       implementation of invasive data collection and re-  
6       porting systems, to enforce content prioritization or  
7       quotas. These obligations are discriminatory and  
8       place a disproportionate burden on United States  
9       commerce.

10           (5) These measures appear to contravene Can-  
11       ada’s commitments under the USMCA to provide  
12       non-discriminatory treatment to United States dig-  
13       ital products and services and avoid unnecessary  
14       barriers to digital trade, and appear to be unreason-  
15       able, discriminatory, and excessively burdensome to-  
16       wards United States commerce. These measures also  
17       appear to be a prohibited performance requirement.

18           (6) Canada has invoked the USMCA “cultural  
19       industries” exception to defend measures like the  
20       Online Streaming Act that affect audiovisual and  
21       music services. However, the exception traces to the  
22       Canada-U.S. Free Trade Agreement era and retains  
23       a legacy definition of “cultural industry” centered  
24       on traditional publishing, recordings, and broad-

1 casting, rather than modern means of digital deliv-  
2 ery.

3 (7) If left unchecked, Canada's discriminatory  
4 digital policies will set a harmful global precedent,  
5 encouraging other nations to adopt similar protec-  
6 tionist digital sovereignty regimes that target suc-  
7 cessful United States streaming companies and con-  
8 tent producers. Trading partners such as Australia,  
9 Brazil, Israel, and others have adopted or are con-  
10 sidering similar discriminatory digital policies that  
11 primarily impact U.S.-based services. Additionally,  
12 even within Canada, Quebec is considering an over-  
13 lapping regime targeting United States companies.

14 (8) It is in the national economic interest of the  
15 United States to enforce its rights under trade  
16 agreements and statutory authorities and take ap-  
17 propriate action to address foreign practices that are  
18 unreasonable, discriminatory, and burden or restrict  
19 United States commerce.

20 **SEC. 3. INVESTIGATION OF CANADIAN DIGITAL TRADE**  
21 **PRACTICES.**

22 (a) IN GENERAL.—Not later than 30 days after the  
23 date of the enactment of this Act, the United States Trade  
24 Representative shall initiate an investigation under section  
25 301 of the Trade Act of 1974 (19 U.S.C. 2411) to deter-

1 mine whether Canada's implementation of its Online  
2 Streaming Act (Bill C-11), including the related regu-  
3 latory actions of the Canadian Radio-television and Tele-  
4 communications Commission (CRTC), constitutes an act,  
5 policy, or practice that is unreasonable or discriminatory  
6 and burdens or restricts United States commerce.

7 (b) CONSULTATIONS.—In conducting the investiga-  
8 tion required by subsection (a), the Trade Representative  
9 shall—

10 (1) consult with affected United States busi-  
11 nesses providing online audiovisual or audio stream-  
12 ing services;

13 (2) seek information from relevant trade asso-  
14 ciations, labor representatives, and cultural organi-  
15 zations; and

16 (3) coordinate with the Department of Com-  
17 merce, the Department of State, and the United  
18 States International Trade Commission.

19 (c) DETERMINATIONS AND ACTION.—

20 (1) AFFIRMATIVE DETERMINATION.—If the  
21 Trade Representative makes an affirmative deter-  
22 mination under subsection (a), the Trade Represent-  
23 ative shall—

24 (A) publish such determination in the Fed-  
25 eral Register; and

1 (B) consider appropriate action under sec-  
2 tion 301(c) of the Trade Act of 1974 (19  
3 U.S.C. 2411(c)), which may include the suspen-  
4 sion of trade agreement benefits or imposition  
5 of duties commensurate with the burden im-  
6 posed.

7 (2) NEGATIVE DETERMINATION.—If the Trade  
8 Representative makes a negative determination  
9 under subsection (a) and determines that no action  
10 described in paragraph (1)(B) is warranted, the  
11 Trade Representative shall transmit to the appro-  
12 priate congressional committees a report explaining  
13 the determination.

14 **SEC. 4. REPORTING REQUIREMENTS.**

15 (a) INITIAL REPORT.—Not later than 90 days after  
16 the date of the enactment of this Act, the United States  
17 Trade Representative shall submit to the appropriate con-  
18 gressional committees a report on—

19 (1) the implementation of the requirements of  
20 section 3;

21 (2) Canada’s regulatory implementation sched-  
22 ule for the Online Streaming Act (Bill C-11); and

23 (3) the preliminary findings on the impact of  
24 these measures on United States digital service pro-  
25 viders.

1 (b) QUARTERLY UPDATES.—The Trade Representa-  
2 tive shall submit updates to the report required by sub-  
3 section (a) on a quarterly basis for a period of two years  
4 describing—

5 (1) consultations held with affected stake-  
6 holders;

7 (2) any remedial or enforcement actions under-  
8 taken; and

9 (3) the state of bilateral engagement with Can-  
10 ada on digital trade issues.

11 (c) PUBLIC SUMMARY.—The Trade Representative  
12 shall make publicly available a non-confidential summary  
13 of each report and update submitted under this section.

14 **SEC. 5. RETALIATORY ACTIONS IF CANADA FAILS TO REM-**  
15 **EDY DISCRIMINATORY MEASURES.**

16 (a) DETERMINATION OF NON-COMPLIANCE.—If, not  
17 later than 180 days after publication of an affirmative de-  
18 termination under section 3(c)(1), the United States  
19 Trade Representative determines that Canada has not  
20 taken satisfactory steps to remove or amend the discrimi-  
21 natory measures identified in the investigation with re-  
22 spect to which the determination was made, the Trade  
23 Representative shall take appropriate action under section  
24 301(c) of the Trade Act of 1974 (19 U.S.C. 2411(c)).

1 (b) FORMS OF ACTION.—Actions under subsection  
2 (a) may include—

3 (1) the suspension, withdrawal, or modification  
4 of trade agreement concessions or benefits to Can-  
5 ada under the United States-Mexico-Canada Agree-  
6 ment or other agreements; and

7 (2) the imposition of additional duties on goods  
8 of Canadian origin in amounts commensurate with  
9 the harm from implementation of Canada’s Online  
10 Streaming Act (Bill C-11).

11 (c) NOTICE AND CONSULTATION.—Before taking any  
12 action under this section, the Trade Representative  
13 shall—

14 (1) notify the appropriate congressional com-  
15 mittees of the proposed action; and

16 (2) consult with affected stakeholders to ensure  
17 that measures are targeted, proportionate, and mini-  
18 mize unintended consequences for United States  
19 consumers and allies.

20 (d) TERMINATION OF ACTION.—The Trade Rep-  
21 resentative may terminate any action under this section  
22 if—

23 (1) Canada eliminates or modifies the measures  
24 to the satisfaction of the Trade Representative; and



1           (2) the Trade Representative notifies Congress  
2           in writing thereof.

3 **SEC. 6. RELATION TO OTHER GLOBAL FREE TRADE AGREE-**  
4 **MENTS.**

5           To the extent that any other foreign country with  
6           which the United States has in effect a free trade agree-  
7           ment takes actions that are similar to the actions of Can-  
8           ada described in section 3(a), the Trade Representative  
9           shall apply the provisions of sections 3, 4, and 5 to such  
10          other foreign country.

11 **SEC. 7. DEFINITIONS.**

12          In this Act—

13               (1) the term “appropriate congressional com-  
14               mittees” means—

15                       (A) the Committee on Ways and Means of  
16                       the House of Representatives; and

17                       (B) the Committee on Finance of the Sen-  
18                       ate; and

19               (2) the term “online streaming service” means  
20               any digital service delivering audiovisual or audio  
21               programming to users in Canada via the internet.

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