

LEGISLATIVE PROPOSAL FOR AN AGREEMENT BE-
TWEEN THE UNITED STATES AND JORDAN ON THE
ESTABLISHMENT OF A FREE TRADE AREA

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A LEGISLATIVE PROPOSAL TO IMPLEMENT THE AGREEMENT BE-
TWEEN THE UNITED STATES OF AMERICA AND THE HASHEMITE
KINGDOM OF JORDAN ON THE ESTABLISHMENT OF A FREE
TRADE AREA



JANUARY 20, 2001.—Message and accompanying papers referred to the
Committees on Ways and Means and the Judiciary, and ordered to be
printed

U.S. GOVERNMENT PRINTING OFFICE

To the Congress of the United States:

I am pleased to transmit a legislative proposal to implement the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area. Also transmitted is a section-by-section analysis.

The U.S.-Jordan Free Trade Agreement (FTA) provides critical support for a pivotal regional partner for U.S. efforts in the Middle East peace process. Jordan has taken extraordinary steps on behalf of peace and has served as a moderating and progressive force in the region. This agreement not only sends a strong and concrete message to Jordanians and Jordan's neighbors about the economic benefits of peace, but significantly contributes to stability throughout the region. This Agreement is the capstone of our economic partnership with Jordan, which has also included U.S.-Jordanian cooperation on Jordan's accession to the World Trade Organization (WTO), our joint Trade and Investment Framework Agreement, and our Bilateral Investment Treaty. This Agreement is a vote of confidence in Jordan's economic reform program, which should serve as a source of growth and opportunity for Jordanians in the coming years.

The U.S.-Jordan Free Trade Agreement achieves the highest possible commitments from Jordan on behalf of U.S. business on key trade issues, providing significant and extensive liberalization across a wide spectrum of trade issues. For example, it will eliminate all tariffs on industrial goods and agricultural products within 10 years. The FTA covers all agriculture without exception. The Agreement will also eliminate commercial barriers to bilateral trade in services originating in the United States and Jordan. Specific liberalization has been achieved in many key services sectors, including energy distribution, convention, printing and publishing, courier, audiovisual, education, environmental, financial, health, tourism, and transport services.

In the area of intellectual property rights, the U.S.-Jordan Free Trade Agreement builds on the strong commitments Jordan made in acceding to the WTO. The provisions of the FTA incorporate the most up-to-date international standards for copyright protection, as well as protection for confidential test data for pharmaceuticals and agricultural chemicals and stepped-up commitments on enforcement. Among other things, Jordan has undertaken to ratify and implement the World Intellectual Property Organization's (WIPO) Copyright Treaty and WIPO Performances and Phonograms Treaty within 2 years.

The FTA also includes, for the first time ever in the text of a trade agreement, a set of substantive provisions on electronic commerce. Both countries agreed to seek to avoid imposing customs duties on electronic transmissions, imposing unnecessary barriers to market access for digitized products, and impeding the ability to

deliver services through electronic means. These provisions also tie in with commitments in the services area that, taken together, aim at encouraging investment in new technologies and stimulating the innovative uses of networks to deliver products and services.

The FTA joins free trade and open markets with civic responsibilities. In this Agreement, the United States and Jordan affirm the importance of not relaxing labor or environmental laws in order to increase trade. It is important to note that the FTA does not require either country to adopt any new laws in these areas, but rather includes commitments that each country enforce its own labor and environmental laws.

The U.S.-Jordan Free Trade Agreement will help advance the long-term U.S. objective of fostering greater Middle East regional economic integration in support of the establishment of a just, comprehensive, and lasting peace, while providing greater market access for U.S. goods, services, and investment. I urge the prompt and favorable consideration of this legislation.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *January 6, 2001.*

A BILL

To implement the agreement establishing a United States-Jordan free trade area.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

This Act may be cited as the "United States-Jordan Free Trade Area Implementation Act of 2001."

SEC. 2. PURPOSES.

The purposes of this Act are--

- (1) to implement the agreement between the United States and Jordan establishing a free trade area;
- (2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and
- (3) to establish free trade between the two nations through the removal of trade barriers.

SEC. 3. DEFINITIONS.

For purposes of this Act:

- (1) AGREEMENT.--The term "Agreement" means the Agreement between the United States of America and the Hashemite Kingdom of Jordan on the Establishment of a Free Trade Area, entered into on October 24, 2000.
- (2) HTS.--The term "HTS" means the Harmonized Tariff Schedule of the United States.

TITLE I -- Tariff Modifications; Rules of Origin

SEC. 101. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.-- The President may proclaim--

- (1) such modifications or continuation of any duty,

(3)

- (2) such continuation of duty-free or excise treatment, or
- (3) such additional duties,

as the President determines to be necessary or appropriate to carry out article 2.1 of the Agreement and the schedule of duty reductions with respect to Jordan set out in Annex 2.1 of the Agreement.

(b) OTHER TARIFF MODIFICATIONS.--The President may proclaim--

- (1) such modifications or continuation of any duty,
- (2) such continuation of duty-free or excise treatment, or
- (3) such additional duties,

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

(a)(1) The reduction or elimination of any duty imposed on any article by the United States provided for in the Agreement shall apply only if--

(A) that article is wholly the growth, product, or manufacture of Jordan or is a new or different article of commerce that has been grown, produced, or manufactured in Jordan;

(B) that article is imported directly from Jordan into the customs territory of the United States; and

(C) the sum of--

(i) the cost of value of the materials produced in Jordan, plus

(ii) the direct costs of processing operations performed in Jordan, is not less than 35 percent of the appraised value of such article at the time it is entered.

If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this subsection applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost

or value may be applied toward determining the percentage referred to in subparagraph (C).

(2) No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone-

(A) simple combining or packaging operations; or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(b) As used in this section, the phrase 'direct costs of processing operations' includes, but is not limited to-

(1) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training and the cost of engineering, supervisory, quality control, and similar personnel; and

(2) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

Such phrase does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as (A) profit, and (B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions or expenses.

(c) (1) In general, a textile or apparel product imported directly from Jordan into the customs territory of the United States shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) only if:

(A) the product is wholly obtained or produced in Jordan;

(B) the product is a yarn, thread, twine, cordage, rope, cable, or braiding and-

(i) the constituent staple fibers are spun in Jordan, or

(ii) the continuous filament is extruded in Jordan;

(C) the product is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in Jordan; or

(D) the product is any other textile or apparel product that is wholly assembled in Jordan from its component pieces.

(2) Special rules.--

(A) Notwithstanding paragraph (1)(D) and except as provided in paragraphs (2)(C) and 2(D), subparagraph (A), (B), or (C) of paragraph (1), as appropriate, shall determine whether a good that is classified under one of the following HTS headings or subheadings shall be considered to meet the requirements of paragraph (1)(A) of subsection (a): 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6303, 6304, 6305, 6306, 6307.10, 6307.90, 6308, or 9404.90.

(B) Notwithstanding paragraph (1)(D) and except as provided in paragraphs (2)(C) and (2)(D), a textile or apparel product which is knit to shape in Jordan shall be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(C) Notwithstanding paragraph (1)(D), a good classified under HTS heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except for goods classified under such headings as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric in the goods is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(D) Notwithstanding paragraph (1)(C), a fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if the fabric is both dyed and printed in Jordan, and such dyeing and printing is accompanied by 2 or more of the following finishing operations: bleaching, shrinking, fulling, napping, decating, permanent stiffening, weighting, permanent embossing, or moireing.

(3) MULTICOUNTRY RULE- If the origin of a textile or apparel product cannot be determined under paragraph (1) or (2), then that product shall be considered to meet the requirements of paragraph (1)(A) of subsection (a) if-

(A) the most important assembly or manufacturing process occurs in Jordan, or

(B) if the applicability of paragraph (1)(A) of subsection (a) cannot be determined under subparagraph (A), the last important assembly or manufacturing occurs in Jordan.

(d) The processing in Jordan of goods imported under HTS subheading 0805 into goods classified under HTS subheadings 2009.11 through 2009.30 shall not be considered to meet the requirements of paragraph (1)(A) of subsection (a).

(e) Regulations.--The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this section.

TITLE II -- RELIEF FROM IMPORTS

SEC. 201. DEFINITIONS.

As used in this title:

(1) COMMISSION--The term "Commission" means the United States International Trade Commission.

(2) JORDANIAN ARTICLE--The term "Jordanian article" means an article that qualifies for reduction or elimination of a duty under Section 102.

PART I--RELIEF FROM IMPORTS BENEFITTING FROM THE AGREEMENT

SEC. 202. COMMENCING OF ACTION FOR RELIEF.

(a) FILING OF PETITION.--

(1) IN GENERAL.--A petition requesting action under this part for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers, that is representative of an industry. The Commission shall transmit a copy of any petition filed under this subsection to the United States Trade Representative.

(2) PROVISIONAL RELIEF.--An entity filing a petition under this subsection may request that provisional relief be provided as if the petition had been filed under section 202(a) of the Trade Act of 1974.

(3) CRITICAL CIRCUMSTANCES.-- An allegation that critical circumstances exist must be included in the petition.

(b) INVESTIGATION AND DETERMINATION.--

(1) Upon the filing of a petition under subsection (a), the Commission, unless subsection (d) applies, shall promptly initiate an investigation to determine whether, as a result of the reduction or elimination of a duty provided for under the Agreement, a Jordanian article is being imported into the United States in such increased quantities, in absolute terms or relative to domestic production, and under such conditions that imports of the Jordanian article alone constitute a substantial cause of serious injury or threat thereof to the domestic industry producing an article that is like, or directly competitive with, the imported article.

(2) For purposes of this part, a Jordanian article is being imported into the United States in increased quantities as a result of the reduction or elimination of a duty provided for under the Agreement if the reduction or elimination is a cause that contributes significantly to the increase in imports. Such cause need not be equal to or greater than any other cause.

(c) APPLICABLE PROVISIONS.--The provisions of--

- (1) paragraphs (1)(B) and (3) of subsection (b);
- (2) subsection (c); and
- (3) subsection (d),

of section 202 of the Trade Act of 1974 (19 U.S.C. 2252) apply with respect to any investigation initiated under subsection (b).

(d) ARTICLES EXEMPT FROM INVESTIGATION.--No investigation may be initiated under this section with respect to any Jordanian article if import relief has been provided under this part with respect to that article.

SEC. 203. COMMISSION ACTION ON PETITION.

(a) DETERMINATION.--By no later than 120 days (180 days if critical circumstances have been alleged) after the date on which an investigation is initiated under section 202(b) with respect to a petition, the Commission shall make the determination required under that section.

(b) ADDITIONAL FINDING AND RECOMMENDATION IF DETERMINATION AFFIRMATIVE.--If the determination made by the Commission under subsection (a) with respect to imports of an article is affirmative, the Commission shall find, and recommend to the President in the report required under subsection (c), the amount of import relief that is necessary to remedy or prevent the injury found by the Commission in the determination and to facilitate

the efforts of the domestic industry to make a positive adjustment to import competition. The import relief recommended by the Commission under this subsection shall be limited to that described in section 204(c).

(c) **REPORT TO PRESIDENT.**--No later than the date that is 30 days after the date on which a determination is made under subsection (a) with respect to an investigation, the Commission shall submit to the President a report that shall include--

- (1) a statement of the basis for the determination;
- (2) dissenting and separate views; and
- (3) any finding made under subsection (b) regarding import relief.

(d) **PUBLIC NOTICE.**--Upon submitting a report to the President under subsection (c), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

(e) **APPLICABLE PROVISIONS.**--For purposes of this part, the provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) shall be applied with respect to determinations and findings made under this section as if such determinations and findings were made under section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

SEC. 204. PROVISION OF RELIEF.

(a) **IN GENERAL.**--No later than the date that is 30 days after the date on which the President receives the report of the Commission containing an affirmative determination of the Commission under section 203(a), the President, subject to subsection (b), shall provide relief from imports of the article that is the subject of such determination to the extent that the President determines necessary to prevent or remedy the injury found by the Commission and to facilitate the efforts of the domestic industry to make a positive adjustment to import competition.

(b) **EXCEPTION.**--The President is not required to provide import relief under this section if the President determines that the provision of the import relief will not provide greater economic and social benefits than costs.

(c) **NATURE OF RELIEF.**--The import relief (including provisional relief) that the President is authorized to provide under this part is as follows:

- (1) the suspension of any further reduction provided for under the United States Schedule to Annex 2.1 of the Agreement in the duty imposed on such article;

(2) an increase in the rate of duty imposed on such article to a level that does not exceed the lesser of--

(i) the column 1 general rate of duty imposed under the HTS on like articles at the time the import relief is provided, or

(ii) the column 1 general rate of duty imposed under the HTS on like articles on the day before the date on which the Agreement enters into force; or

(3) in the case of a duty applied on a seasonal basis to such article, an increase in the rate of duty imposed on the article to a level that does not exceed the column 1 general rate of duty imposed under the HTS on the article for the corresponding season occurring immediately before the date on which the Agreement enters into force.

(d) PERIOD OF RELIEF.--The import relief that the President is authorized to provide under this section may not exceed 4 years.

(e) RATE AFTER TERMINATION OF IMPORT RELIEF.--When import relief under this part is terminated--

(1) the rate of duty on that article after such termination and on or before December 31 of the year in which termination occurs shall be the rate that, according to the United States Schedule to Annex 2.1 of the Agreement for the staged elimination of the tariff, would have been in effect 1 year after the initiation of the import relief action under section 202; and

(2) the tariff treatment for that article after December 31 of the year in which termination occurs shall be, at the discretion of the President, either--

(A) the rate of duty conforming to the applicable rate set out in the United States Schedule to Annex 2.1; or

(B) the rate of duty resulting from the elimination of the tariff in equal annual stages ending on the date set out in the United States Schedule to Annex 2.1 for the elimination of the tariff.

SEC. 205. TERMINATION OF RELIEF AUTHORITY.

(a) GENERAL RULE.--Except as provided in subsection (b), no import relief may be provided under this part after the date that is 15 years after the date on which the Agreement enters into force.

(b) EXCEPTION.--Import relief may be provided under this part in the case of a

Jordanian article after the date on which such relief would, but for this subsection, terminate under subsection (a), but only if the Government of Jordan consents to such provision.

SEC. 206. COMPENSATION AUTHORITY.

For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under section 204 shall be treated as action taken under chapter 1 of title II of such Act .

SEC. 207. SUBMISSION OF PETITIONS.

A petition for import relief may be submitted to the Commission under--

- (1) this part;
- (2) chapter 1 of title II of the Trade Act of 1974; or
- (3) under both this part and such chapter 1 at the same time, in which case the International Trade Commission shall consider such petitions jointly.

PART 2- CASES UNDER TITLE II OF THE TRADE ACT OF 1974.

SEC. 208. FINDINGS AND ACTION ON JORDANIAN IMPORTS.

(a) EFFECT OF IMPORTS.-- If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974, the Commission makes an affirmative determination (or a determination which the President may treat as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930), the Commission shall also find (and report to the President at the time such injury determination is submitted to the President) whether imports of the article from Jordan are a substantial cause of serious injury or threat thereof.

(b) PRESIDENTIAL ACTION REGARDING JORDANIAN IMPORTS.--In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President shall determine whether imports from Jordan are a substantial cause of the serious injury found by the Commission and, if such determination is in the negative, may exclude from such action imports from Jordan.

SEC. 209. TECHNICAL AMENDMENT.

Paragraph (8) of subsection (a) of Section 202 of the Trade Act of 1974 is amended by striking "and" from the first sentence, inserting a comma in lieu thereof, and inserting at the end "and title III of the United States-Jordan Free Trade Area Implementation Act".

TITLE III – TEMPORARY ENTRY

SEC. 301. NONIMMIGRANT TRADERS AND INVESTORS.

Upon a basis of reciprocity secured by the Agreement, an alien who is a national of Jordan, and the spouse and children of any such alien accompanying or following to join such alien, may, if otherwise eligible for a visa and if otherwise admissible into the United States under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) be considered to be classifiable as a nonimmigrant under section 101(a)(15)(E) of such Act if entering solely for the purposes specified in subsection (i) or (ii) thereof.

TITLE IV – GENERAL PROVISIONS

SEC. 401. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

(a) RELATIONSHIP OF AGREEMENT TO UNITED STATES LAW.--

(1) **UNITED STATES LAW TO PREVAIL IN CONFLICT.**--No provision of the Agreement, nor the application of any such provision to any person or circumstance, that is inconsistent with any law of the United States shall have effect.

(2) **CONSTRUCTION.**--Nothing in this Act shall be construed--

(A) to amend or modify any law of the United States,

(B) to limit any authority conferred under any law of the United States,

unless specifically provided for in this Act.

(b) RELATIONSHIP OF AGREEMENT TO STATE LAW.--

(1) **LEGAL CHALLENGE.**--No State law, or the application thereof, may be declared invalid as to any person or circumstance on the ground that the provision or application is inconsistent with the Agreement, except in an action brought by the United States for the purpose of declaring such law or application invalid.

(2) **DEFINITION OF STATE LAW.**--For purposes of this subsection, the term 'State law' includes--

(A) any law of a political subdivision of a State; and

(B) any State law regulating or taxing the business of insurance.

(c) EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES.--No person other than the United States--

(1) shall have any cause of action or defense under the Agreement; or

(2) may challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State on the ground that such action or inaction is inconsistent with the Agreement.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year after fiscal year 2000 to the Department of Commerce the lesser of

(a) such sums as may be necessary; or

(b) \$100,000;

for the payment of the United States share of the expenses incurred in dispute settlement proceedings under article 17 of the Agreement.

SEC. 403. IMPLEMENTING REGULATIONS.--After the date of enactment of this Act--

(a) the President may proclaim such actions; and

(b) other appropriate officers of the United States may issue such regulations;

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date of entry into force.

SEC. 404. EFFECTIVE DATES; EFFECT OF TERMINATION.

(a) EFFECTIVE DATES.-- Except as provided in subsection (b), the provisions of this Act, and the amendments made by this Act, take effect on the date the Agreement enters into force.

(b) EXCEPTIONS. -- Sections 1 -3 and this title take effect on the date of the enactment of this Act.

(c) TERMINATION OF THE AGREEMENT. -- On the date on which the Agreement

ceases to be in force, the provisions of this Act (other than this subsection) and the amendments made by this Act, shall cease to have effect.

**United States-Jordan Free Trade Area Implementation Act of 2001
Section-by-Section Analysis**

Section 1. SHORT TITLE.

The Act may be cited as the "United States-Jordan Free Trade Area Implementation Act of 2001".

SEC. 2-3. PURPOSES AND DEFINITIONS.

Section 2 specifies that the purposes of this bill are: (1) to implement the agreement between the United States and Jordan establishing a free trade area (FTA); (2) to strengthen and develop the economic relations between the United States and Jordan for their mutual benefit; and (3) to establish free trade between the two nations through the removal of trade barriers.

Section 3 contains definitions of terms used in the bill.

TITLE I - TARIFF MODIFICATIONS; RULES OF ORIGIN

SEC. 101. TARIFF MODIFICATIONS.

Section 101 authorizes the President to proclaim the duty reductions set out in the U.S. tariff schedule annexed to the Agreement. The text of section 101 is based on section 4 of the United States-Israel Free Trade Area Implementation Act (19 U.S.C. 2112 note).

Section 101 empowers the President to: (1) modify or continue any duty; (2) keep in place duty-free or excise treatment; or (3) impose any additional duties, that the President determines to be necessary to carry out the duty reductions called for under the Agreement. Section 101 also authorizes the President to maintain the general level of reciprocal and mutually advantageous concessions with respect to Jordan provided for by the Agreement.

SEC. 102. RULES OF ORIGIN.

Section 102 codifies the rules of origin set out in Annex 2.2 of the Agreement. The language of section 102 is drawn largely verbatim from section 402 of the Trade and Tariff Act of 1984 (19 U.S.C. 2112 note), which establishes origin rules for goods imported from Israel under the tariff preference provisions of the U.S.-Israel FTA. However, in addition section 102 prescribes specific origin rules for textile and apparel products, consistent with those set out in paragraph 9 of Annex 2.2 of the Agreement.

TITLE II - RELIEF FROM IMPORTS

SEC. 201 - 209.

The bilateral safeguard provisions established in Article 10 of the Agreement are closely modeled on those included in the NAFTA and embodied in U.S. law through sections 301-307 of the North American Free Trade Agreement Implementation Act ("NAFTA Act") (19 U.S.C. 3351-3357). Sections 201-207 of the proposed FTA implementing bill are based on the NAFTA legislation, with minor variations to reflect the specific provisions of Article 10. The standards and procedures established in the proposed legislation parallel those of both the NAFTA Act and sections 201-204 of the Trade Act of 1974 (19 U.S.C. 2251-2254), which establish procedures for global safeguards investigations and import relief under U.S. law.

In brief, sections 201-207 authorize the President, after an investigation and affirmative determination by the U.S. International Trade Commission ("Commission"), to impose specified import relief when, as a result of the reduction or elimination of a duty under the Agreement, a Jordanian-origin product is being imported into the United States in such increased quantities and under such conditions as to be a substantial cause of serious injury or threat of serious injury to the domestic industry.

When the President imposes global safeguards relief under chapter 1 of title II of the Trade Act of 1974, Section 208 authorizes the President to exclude imports from Jordan if he determines that those imports are not a substantial cause of the serious injury, or threat of serious injury, that the Commission has found.

TITLE III - TEMPORARY ENTRY

SEC. 301. NONIMMIGRANT TRADERS AND INVESTORS.

Section 301 makes Jordanian nationals eligible for temporary entry into the United States as traders and investors. This provision implements the Agreement's visa provisions, set out in Article 8 of the FTA. The trade and investor category provides for admission under requirements identical to those governing admission under the Immigration and Nationality Act (8 U.S.C. 1101 *et seq.*), which permits entry to carry on substantial trade in goods or services and to develop and direct investment operations.

TITLE IV - GENERAL PROVISIONS

SEC. 401. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES AND STATE LAW.

Section 401 establishes the relationship between the FTA and U.S. law, as well as state law. With respect to federal law, section 401(a) makes clear that no provision of the Agreement

will be given effect under domestic law if it is inconsistent with federal law. Section 401(b) clarifies that no state law may be declared invalid on the ground that it conflicts with the Agreement except in an action brought by the United States for such purpose. Finally, section 401(c) makes clear that no private remedy is created by the entry into force of the Agreement.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

Section 402 authorizes appropriations to the Department of Commerce of the lesser of (1) \$100,000 or (2) such sums as may be necessary for the payment of the U.S. share of expenses incurred in dispute settlement proceedings provided for in Article 17 of the Agreement. Any Administration funding requests for these functions will be made in accordance with established budget formulation procedures, and may be less than \$100,000.

SEC. 403. IMPLEMENTING REGULATIONS.

Section 403 provides authority for the President to issue proclamations and for federal agencies to promulgate regulations necessary implement the Agreement. No proclamation or regulation may take effect before the Agreement enters into force.

SEC. 404. EFFECTIVE DATES AND TERMINATION OF THE AGREEMENT.

Under sections 404(a)-(b), the proposed bill will take effect when the Agreement enters into force. Section 404(c) provides that the implementing bill will no longer apply if the Agreement is terminated.

