

106TH CONGRESS
1ST SESSION

S. 112

To authorize negotiation of free trade agreements with the countries of the Americas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Mr. GRAMM introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To authorize negotiation of free trade agreements with the countries of the Americas, 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 “Americas Free Trade
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The countries of the Western Hemisphere
9 have enjoyed more success in the twentieth century
10 in the peaceful conduct of their relations among

1 themselves than have the countries in the rest of the
2 world.

3 (2) The economic prosperity of the United
4 States and its trading partners in the Western
5 Hemisphere is increased by the reduction of trade
6 barriers.

7 (3) Trade protection endangers economic pros-
8 perity in the United States and throughout the
9 Western Hemisphere and undermines civil liberty
10 and constitutionally limited government.

11 (4) The successful establishment of a North
12 American Free Trade Area sets the pattern for the
13 reduction of trade barriers throughout the Western
14 Hemisphere, enhancing prosperity in place of the
15 cycle of increasing trade barriers and deepening pov-
16 erty that results from a resort to protectionism and
17 trade retaliation.

18 (5) The reduction of government interference in
19 the foreign and domestic sectors of a nation's econ-
20 omy and the concomitant promotion of economic op-
21 portunity and freedoms promote civil liberty and
22 constitutionally limited government.

23 (6) Countries that observe a consistent policy of
24 free trade, the promotion of free enterprise and
25 other economic freedoms (including effective protec-

1 tion of private property rights), and the removal of
 2 barriers to foreign direct investment, in the context
 3 of constitutionally limited government and minimal
 4 interference in the economy, will follow the surest
 5 and most effective prescription to alleviate poverty
 6 and provide for economic, social, and political devel-
 7 opment.

8 **SEC. 3. FREE TRADE AREA FOR THE WESTERN HEMI-**
 9 **SPHERE.**

10 (a) IN GENERAL.—The President shall take action
 11 to initiate negotiations to obtain trade agreements with
 12 the sovereign countries located in the Western Hemi-
 13 sphere, the terms of which provide for the reduction and
 14 ultimate elimination of tariffs and other nontariff barriers
 15 to trade, for the purpose of promoting the eventual estab-
 16 lishment of a free trade area for the entire Western Hemi-
 17 sphere.

18 (b) RECIPROCAL BASIS.—An agreement entered into
 19 under subsection (a) shall be reciprocal and provide mu-
 20 tual reductions in trade barriers to promote trade, eco-
 21 nomic growth, and employment.

22 (c) BILATERAL OR MULTILATERAL BASIS.—Agree-
 23 ments may be entered into under subsection (a) on a bilat-
 24 eral basis with any foreign country described in that sub-

1 section or on a multilateral basis with all of such countries
 2 or any group of such countries.

3 **SEC. 4. FREE TRADE WITH FREE CUBA.**

4 (a) RESTRICTIONS PRIOR TO RESTORATION OF
 5 FREEDOM IN CUBA.—The provisions of this Act shall not
 6 apply to Cuba unless the President certifies to Congress
 7 that—

8 (1) freedom has been restored in Cuba; and

9 (2) the claims of United States citizens for
 10 compensation for expropriated property have been
 11 appropriately addressed.

12 (b) STANDARDS FOR THE RESTORATION OF FREE-
 13 DOM IN CUBA.—The President shall not make the certifi-
 14 cation that freedom has been restored in Cuba, for pur-
 15 pose of subsection (a), unless the President determines
 16 that—

17 (1) a constitutionally guaranteed democratic
 18 government has been established in Cuba with lead-
 19 ers chosen through free and fair elections;

20 (2) the rights of individuals to private property
 21 have been restored and are effectively protected and
 22 broadly exercised in Cuba;

23 (3) Cuba has a currency that is fully convertible
 24 domestically and internationally;

1 (4) all political prisoners have been released in
2 Cuba; and

3 (5) the rights of free speech and freedom of the
4 press in Cuba are effectively guaranteed.

5 (c) PRIORITY FOR FREE TRADE WITH FREE
6 CUBA.—Upon making the certification described in sub-
7 section (a), the President shall give priority to the negotia-
8 tion of a free trade agreement with Cuba.

9 **SEC. 5. INTRODUCTION AND FAST-TRACK CONSIDERATION**
10 **OF IMPLEMENTING BILLS.**

11 (a) INTRODUCTION IN HOUSE AND SENATE.—When
12 the President submits to Congress a bill to implement a
13 trade agreement described in section 3, the bill shall be
14 introduced (by request) in the House and the Senate as
15 described in section 151(c) of the Trade Act of 1974 (19
16 U.S.C. 2191(c)).

17 (b) RESTRICTIONS ON CONTENT.—A bill to imple-
18 ment a trade agreement described in section 3—

19 (1) shall contain only provisions that are nec-
20 essary to implement the trade agreement; and

21 (2) may not contain any provision that estab-
22 lishes (or requires or authorizes the establishment
23 of) a labor or environmental protection standard or
24 amends (or requires or authorizes an amendment of)

1 any labor or environmental protection standard set
 2 forth in law or regulation.

3 (c) POINT OF ORDER IN SENATE.—

4 (1) APPLICABILITY TO ALL LEGISLATIVE
 5 FORMS OF IMPLEMENTING BILL.—For the purposes
 6 of this subsection, the term “implementing bill”
 7 means the following:

8 (A) THE BILL.—A bill described in sub-
 9 section (a), without regard to whether that bill
 10 originated in the Senate or the House of Rep-
 11 resentatives.

12 (B) AMENDMENT.—An amendment to a
 13 bill referred to in subparagraph (A).

14 (C) CONFERENCE REPORT.—A conference
 15 report on a bill referred to in subparagraph (A).

16 (D) AMENDMENT BETWEEN HOUSES.—An
 17 amendment between the Houses of Congress in
 18 relation to a bill referred to in subparagraph
 19 (A).

20 (E) MOTION.—A motion in relation to an
 21 item referred to in subparagraph (A), (B), (C),
 22 or (D).

23 (2) MAKING OF POINT OF ORDER.—

24 (A) AGAINST SINGLE ITEM.—When the
 25 Senate is considering an implementing bill, a

1 Senator may make a point of order against any
 2 part of the implementing bill that contains ma-
 3 terial in violation of a restriction under sub-
 4 section (b).

5 (B) AGAINST SEVERAL ITEMS.—Notwith-
 6 standing any other provision of law or rule of
 7 the Senate, when the Senate is considering an
 8 implementing bill, it shall be in order for a Sen-
 9 ator to raise a single point of order that several
 10 provisions of the implementing bill violate sub-
 11 section (b). The Presiding Officer may sustain
 12 the point of order as to some or all of the provi-
 13 sions against which the Senator raised the point
 14 of order.

15 (3) EFFECT OF SUSTAINMENT OF POINT OF
 16 ORDER.—

17 (A) AGAINST SINGLE ITEM.—If a point of
 18 order made against a part of an implementing
 19 bill under paragraph (2)(A) is sustained by the
 20 Presiding Officer, the part of the implementing
 21 bill against which the point of order is sus-
 22 tained shall be deemed stricken.

23 (B) AGAINST SEVERAL ITEMS.—In the
 24 case of a point of order made under paragraph
 25 (2)(B) against several provisions of an imple-

menting bill, only those provisions against which the Presiding Officer sustains the point of order shall be deemed stricken.

(C) STRICKEN MATTER NOT IN ORDER AS AMENDMENT.—Matter stricken from an implementing bill under this paragraph may not be offered as an amendment to the implementing bill (in any of its forms described in paragraph (1)) from the floor.

(4) WAIVERS AND APPEALS.—

(A) WAIVERS.—Before the Presiding Officer rules on a point of order under this subsection, any Senator may move to waive the point of order as it applies to some or all of the provisions against which the point of order is raised. Such a motion to waive is amendable in accordance with the rules and precedents of the Senate.

(B) APPEALS.—After the Presiding Officer rules on a point of order under this subsection, any Senator may appeal the ruling of the Presiding Officer on the point of order as it applies to some or all of the provisions on which the Presiding Officer ruled.

1 (C) THREE-FIFTHS MAJORITY RE-
 2 QUIRED.—

3 (i) WAIVERS.—A point of order under
 4 this subsection is waived only by the af-
 5 firmative vote of at least the requisite ma-
 6 jority.

7 (ii) APPEALS.—A ruling of the Presid-
 8 ing Officer on a point of order under this
 9 subsection is sustained unless at least the
 10 requisite majority votes not to sustain the
 11 ruling.

12 (iii) REQUISITE MAJORITY.—For pur-
 13 poses of clauses (i) and (ii), the requisite
 14 majority is three-fifths of the Members of
 15 the Senate, duly chosen and sworn.

16 (c) APPLICABILITY OF FAST TRACK PROCEDURES.—
 17 Section 151 of the Trade Act of 1974 (19 U.S.C. 2191)
 18 is amended—

19 (1) in subsection (b)(1)—

20 (A) by inserting “section 5 of the Americas
 21 Free Trade Act,” after “the Omnibus Trade
 22 and Competitiveness Act of 1988,”; and

23 (B) by amending subparagraph (C) to read
 24 as follows:

1 “(C) if changes in existing laws or new
2 statutory authority is required to implement
3 such trade agreement or agreements or such ex-
4 tension, provisions, necessary to implement
5 such trade agreement or agreements or such ex-
6 tension, either repealing or amending existing
7 laws or providing new statutory authority.”;
8 and

9 (2) in subsection (c)(1), by inserting “or under
10 section 5 of the Americas Free Trade Act,” after
11 “the Uruguay Round Agreements Act,”.

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