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To establish objectives for negotiating, and procedures for, implementing
certain trade agreements.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 2001

Mr. GRAHAM (for himself, Mr. MURKOWSKI, Mr. GRAMM, Mr. NICKLES, Mr. THOMPSON, Mr. KYL, Mr. HAGEL, Mr. ROBERTS, and Mr. CHAFEE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish objectives for negotiating, and procedures for,
implementing certain trade agreements.

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 “Trade Promotion Act
5 of 2001”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) international trade and investment are pow-
9 erful engines of economic growth that help create

1 the culture of liberty and the economic wealth need-
2 ed to build and sustain support for better working
3 conditions and improved environmental protection
4 around the world;

5 (2) in the United States, free and fair trade
6 maximizes efficient use of resources, opens new mar-
7 kets and new opportunities for American businesses,
8 farmers, agricultural producers, and families, and
9 provides new and better-paying jobs for American
10 workers;

11 (3) in the international system, broader and
12 more comprehensive trade agreements will provide
13 developing countries with greater access to world
14 markets, create new opportunities for upward eco-
15 nomic mobility, and decrease differentials that cur-
16 rently exist between rich and poor;

17 (4) reducing barriers to trade is a fundamental
18 foreign and domestic policy interest of the United
19 States and therefore the successful negotiation of re-
20 ciprocal trade agreements on a bilateral, regional,
21 and multilateral basis is a high priority for the
22 United States;

23 (5) the pursuit of policies to ease short-term
24 dislocations and adjustment problems that can result
25 from expanded trade relations is an appropriate sub-

1 ject for consideration in the context of bilateral, re-
2 gional, and multilateral trade negotiations between
3 the United States and foreign countries, and would
4 be an important objective for discussions between
5 the United States and other World Trade Organiza-
6 tion (in this Act, referred to as the “WTO”) mem-
7 bers in a new round of global talks to expand the
8 international trading system;

9 (6) in order to best serve the trade policy inter-
10 ests of the United States in a wide range of bilat-
11 eral, regional, and multilateral trade negotiations,
12 the President should have a clear and flexible negoti-
13 ating mandate that will optimize the ability of the
14 United States to assert leadership in international
15 discussions, and provide United States negotiators
16 with the maximum opportunity to secure the most
17 favorable result for the United States; and

18 (7) an appropriate delegation of trade negoti-
19 ating authority to the President is necessary for the
20 United States to exert the leadership necessary to
21 achieve the important policy objectives served by re-
22 ducing barriers to international trade.

1 **SEC. 3. TRADE NEGOTIATING OBJECTIVES OF THE UNITED**
2 **STATES.**

3 (a) STATEMENT OF PURPOSES.—The purposes of
4 this Act are to achieve, through trade agreements that af-
5 ford mutual benefits—

6 (1) more open, equitable, and reciprocal market
7 access for United States goods, services, and invest-
8 ment;

9 (2) the reduction or elimination of barriers and
10 other trade-distorting policies and practices;

11 (3) a more effective system of international
12 trading rules and procedures; and

13 (4) economic growth, higher living standards,
14 and full employment in the United States, and eco-
15 nomic growth and development among the trading
16 partners of the United States.

17 (b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—

18 (1) GENERAL RULE.—The principal objective of
19 trade agreements is to expand the freedom to trade
20 and invest, and in the process expand jobs, economic
21 growth, and opportunity. In pursuing the negoti-
22 ating objectives described in subparagraphs (A)
23 through (N) of paragraph (2), United States nego-
24 tiators shall take into account legitimate United
25 States domestic objectives, including protection of

1 health, safety, essential security, environmental, con-
2 sumer, and employment opportunity interests.

3 (2) NEGOTIATING OBJECTIVES.—The principal
4 trade negotiating objectives of the United States for
5 agreements subject to the provisions of section 4 in-
6 clude the following:

7 (A) TRADE IN GOODS.—The principal ne-
8 gotiating objective of the United States regard-
9 ing barriers to trade in goods is to obtain com-
10 petitive opportunities for United States exports
11 in foreign markets substantially equivalent to
12 the opportunities afforded foreign exports to
13 United States markets, including the reduction
14 or elimination of tariff and nontariff trade bar-
15 riers, including—

16 (i) tariff and nontariff disparities re-
17 maining from previous rounds of multilat-
18 eral trade negotiations that have put
19 United States exports at a competitive dis-
20 advantage in world markets;

21 (ii) measures identified in the annual
22 report prepared under section 181 of the
23 Trade Act of 1974 (19 U.S.C. 2241);

24 (iii) tariff elimination for products
25 identified in section 111(b) of the Uruguay

1 Round Agreements Act (19 U.S.C.
2 3521(b)) and the accompanying Statement
3 of Administrative Action related to that
4 section; and

5 (iv) the negotiating objectives regard-
6 ing trade in civil aircraft set forth in sec-
7 tion 135 of the Uruguay Round Agree-
8 ments Act (19 U.S.C. 3355 et seq.).

9 (B) TRADE IN SERVICES.—The principal
10 negotiating objectives of the United States re-
11 garding trade in services are—

12 (i) to reduce or eliminate barriers to,
13 or other distortions of, international trade
14 in services in General Agreement on Trade
15 in Services negotiations and other multilat-
16 eral and bilateral negotiations by—

17 (I) achieving maximum liberaliza-
18 tion of market access in all modes of
19 supply;

20 (II) removing regulatory and
21 other barriers that deny national
22 treatment or unreasonably restrict the
23 establishment of and operation of
24 service suppliers in foreign markets;
25 and

1 (III) seeking full market access
 2 and national treatment for services es-
 3 sential to supporting electronic com-
 4 merce and for services sectors that
 5 have not received significant WTO
 6 market opening efforts; and

7 (ii) to develop internationally agreed
 8 rules, including dispute settlement proce-
 9 dures, that—

10 (I) are consistent with the com-
 11 mercial policies of the United States;
 12 and

13 (II) will reduce or eliminate such
 14 barriers or distortions, and help en-
 15 sure fair, equitable opportunities for
 16 foreign markets.

17 (C) AGRICULTURE.—The principal negoti-
 18 ating objectives of the United States with re-
 19 spect to agriculture are, in addition to those set
 20 forth in section 1123(b) of the Food Security
 21 Act of 1985 (7 U.S.C. 1736r(b)), to achieve, on
 22 an expedited basis to the maximum extent fea-
 23 sible, more open and fair conditions of trade in
 24 agricultural commodities by—

1 (i) developing, strengthening, and
2 clarifying rules for agricultural trade, in-
3 cluding disciplines on restrictive or trade-
4 distorting import and export practices such
5 as those that would impact perishable or
6 cyclical products;

7 (ii) increasing United States agricul-
8 tural exports by eliminating barriers to
9 trade (including transparent and nontrans-
10 parent barriers) and reducing or elimi-
11 nating the subsidization of agricultural
12 production consistent with the United
13 States policy of agricultural stabilization in
14 cyclical and unpredictable markets;

15 (iii) creating a free and more open
16 world agricultural trading system by re-
17 solving questions pertaining to export and
18 other trade-distorting subsidies, market
19 pricing, and market access;

20 (iv) eliminating or reducing substan-
21 tially other specific constraints to fair
22 trade and more open market access, such
23 as tariffs, quotas, and other nontariff prac-
24 tices; and

(v) developing, strengthening, and clarifying rules that address practices that unfairly decrease United States market access opportunities or distort agricultural markets to the detriment of the United States, including—

(I) unfair or trade-distorting activities of State trading enterprises and other administrative mechanisms, including lack of price transparency;

(II) restrictions or commercial requirements affecting new technologies, including biotechnology, that are not based on sound science;

(III) sanitary or phytosanitary restrictions not based on sound science;

(IV) other unjustified technical barriers to trade; and

(V) restrictive rules in the administration of tariff-rate quotas.

(D) FOREIGN INVESTMENT.—The principal negotiating objectives of the United States regarding foreign investment are—

1 (i) to reduce or eliminate artificial or
 2 trade-distorting barriers to foreign invest-
 3 ment, expand the principle of national
 4 treatment, and reduce unreasonable bar-
 5 riers to establishment; and

6 (ii) to develop international rules
 7 through the negotiation of investment
 8 agreements, including dispute settlement
 9 procedures, that—

10 (I) will help ensure a free flow of
 11 foreign investment; and

12 (II) will reduce or eliminate the
 13 trade distortive effects of certain
 14 trade-related investment measures.

15 (E) INTELLECTUAL PROPERTY.—The prin-
 16 cipal negotiating objectives of the United States
 17 regarding intellectual property are—

18 (i) to further promote adequate and
 19 effective protection of intellectual property
 20 rights, by—

21 (I) seeking the enactment and ef-
 22 fective enforcement by foreign govern-
 23 ments of laws that—

24 (aa) recognize and ade-
 25 quately protect intellectual prop-

1 erty, including copyrights, pat-
2 ents, trademarks, semiconductor
3 chip layout designs, bio-
4 technology, trade names, and
5 trade secrets; and

6 (bb) provide protection
7 against unfair competition;

8 (II) ensuring the full implemen-
9 tation of the Agreement on Trade-Re-
10 lated Aspects of Intellectual Property
11 Rights referred to in section
12 101(d)(15) of the Uruguay Round
13 Agreements Act (19 U.S.C.
14 3511(d)(15)), and achieving improve-
15 ments in the standards of that Agree-
16 ment;

17 (III) providing strong protection
18 for new and emerging technologies
19 and electronic and other new methods
20 of transmitting and distributing prod-
21 ucts embodying intellectual property;

22 (IV) preventing or eliminating
23 discrimination with respect to matters
24 affecting the availability, acquisition,
25 scope, maintenance, use, and enforce-

1 ment of intellectual property rights;
2 and

3 (V) providing for protection of
4 intellectual property rights through
5 accessible, expeditious, and effective
6 civil, administrative, and criminal en-
7 forcement mechanisms;

8 (ii) to secure fair, equitable, and non-
9 discriminatory market access opportunities
10 for United States persons that rely on in-
11 tellectual property protection; and

12 (iii) to recognize that the inclusion in
13 the WTO of—

14 (I) adequate and effective sub-
15 stantive norms and standards for the
16 protection and enforcement of intellec-
17 tual property rights; and

18 (II) dispute settlement provisions
19 and enforcement procedures,

20 is without prejudice to complementary ini-
21 tiatives undertaken in other international
22 organizations.

23 (F) ELECTRONIC COMMERCE AND INFOR-
24 MATION TECHNOLOGIES.—The principal trade
25 negotiating objectives of the United States re-

1 garding electronic commerce and information
2 technologies are—

3 (i) to reduce or eliminate tariff and
4 nontariff barriers with respect to informa-
5 tion technology products;

6 (ii) to pursue the continued develop-
7 ment of electronic commerce in an environ-
8 ment that is free of trade barriers;

9 (iii) to achieve trade liberalization in
10 related goods and services that facilitate
11 the growth of electronic commerce; and

12 (iv) to eliminate barriers to online de-
13 livery of electronic content.

14 (G) WORKER RIGHTS.—The principal
15 trade negotiating objectives of the United
16 States regarding worker rights are—

17 (i) to ensure that foreign labor,
18 health, and safety policies and practices do
19 not arbitrarily or unjustifiably discriminate
20 against United States exports or constitute
21 a barrier to trade; and

22 (ii) to secure the commitment of for-
23 eign governments to not derogate from or
24 waive existing domestic labor (including
25 measures that deter exploitative child

1 labor), health and safety standards for the
2 purpose of attracting investment, inhib-
3 iting United States exports, or otherwise
4 gaining competitive advantage.

5 (H) ENVIRONMENT.—The principal trade
6 negotiating objectives of the United States re-
7 garding environment are—

8 (i) to ensure that foreign environ-
9 mental protection policies and practices do
10 not arbitrarily or unjustifiably discriminate
11 against United States exports or constitute
12 a barrier to trade;

13 (ii) to secure the commitment of for-
14 eign governments to not derogate from or
15 waive existing domestic environmental
16 standards for the purpose of attracting in-
17 vestment, inhibiting United States exports,
18 or otherwise gaining competitive advan-
19 tage; and

20 (iii) to achieve maximum trade liberal-
21 ization and market access for United
22 States environmental technologies, goods,
23 and services.

24 (I) COMPLIANCE AND ENFORCEMENT.—
25 The principal negotiating objective on compli-

1 ance and enforcement is the inclusion in trade
2 agreements of mechanisms for early identifica-
3 tion of implementation problems, monitoring of
4 compliance with agreements, and appropriate
5 enforcement of obligations.

6 (J) DISPUTE SETTLEMENT.—The principal
7 negotiating objectives of the United States with
8 respect to dispute settlement are—

9 (i) to provide for transparent, effec-
10 tive, and expeditious dispute settlement
11 mechanisms and procedures in any trade
12 agreement entered into under this author-
13 ity; and

14 (ii) to ensure that such mechanisms
15 within the WTO and agreements concluded
16 under the auspices of the WTO provide for
17 more effective and expeditious resolution of
18 disputes and enable better enforcement of
19 United States rights.

20 (K) UNFAIR TRADE PRACTICES.—The
21 principal negotiating objectives of the United
22 States with respect to unfair trade practices
23 are—

24 (i) to enhance the operation and effec-
25 tiveness of the relevant Uruguay Round

1 Agreements and any other agreements de-
 2 signed to define, deter, discourage the per-
 3 sistent use of, and otherwise restrict, un-
 4 fair trade practices having adverse trade
 5 effects, including forms of subsidy and
 6 dumping not adequately disciplined, such
 7 as resource input subsidies, diversionary
 8 dumping, dumped or subsidized inputs,
 9 third country dumping, circumvention of
 10 antidumping or countervailing duty orders,
 11 and export targeting practices; and

12 (ii) to obtain the enforcement of WTO
 13 rules against—

14 (I) trade-distorting practices of
 15 State trading enterprises; and

16 (II) the acts, practices, or policies
 17 of any foreign government which, as a
 18 practical matter, unreasonably require
 19 that—

20 (aa) substantial direct in-
 21 vestment in the foreign country
 22 be made;

23 (bb) intellectual property be
 24 licensed to the foreign country or

1 to any firm of the foreign coun-
 2 try; or

3 (cc) other collateral conces-
 4 sions be made,

5 as a condition for the importation of
 6 any product or service of the United
 7 States into the foreign country or as
 8 a condition for carrying on business in
 9 the foreign country.

10 (L) WTO AND MULTILATERAL TRADE
 11 AGREEMENTS.—The principal negotiating objec-
 12 tives of the United States regarding the WTO
 13 and other multilateral trade agreements are—

14 (i) to improve the operation of the
 15 WTO, and extend the coverage of the Uru-
 16 guay Round Agreements and other multi-
 17 lateral agreements to products, sectors,
 18 and conditions of trade not adequately cov-
 19 ered; and

20 (ii) to expand country participation in
 21 agreements, where appropriate.

22 (M) TRANSPARENCY.—The principal nego-
 23 tiating objective of the United States regarding
 24 transparency is to obtain broader application of
 25 the principle of transparency through increased

1 public access to information regarding trade
2 issues, clarification of the costs and benefits of
3 trade policy actions, progress toward the elimi-
4 nation of corrupt business practices and the ob-
5 servance of open and equitable procedures by
6 United States trading partners and within the
7 WTO.

8 (N) REGULATORY COMPETITION.—The
9 principal trade negotiating objective of the
10 United States regarding regulatory competition
11 is—

12 (i) the elimination of measures such
13 as price controls, reference pricing, and
14 other practices by foreign governments to
15 provide a competitive advantage to their
16 domestic producers, service providers, or
17 investors and thereby reduce market access
18 for United States goods, services, and in-
19 vestment;

20 (ii) the establishment by foreign gov-
21 ernments of regulatory requirements which
22 are consistent with sound scientific prin-
23 ciples; and

24 (iii) to ensure that government regula-
25 tion and other governmental practices do

1 not discriminate against United States
2 goods, services, or investment.

3 (c) COMPLEMENTARY OBJECTIVES.—The President
4 should take into account the relationship between trade
5 agreements and other important priorities of the United
6 States and seek to ensure that the trade agreements en-
7 tered into by the United States complement and reinforce
8 other policy goals. The United States priorities in this
9 area include—

10 (1) supplementing and strengthening standards
11 for protection of intellectual property rights under
12 conventions designed to protect such rights that are
13 administered by international organizations other
14 than the WTO, expanding the conventions to cover
15 new and emerging technologies, and eliminating dis-
16 crimination and unreasonable exceptions or pre-
17 conditions to such protection;

18 (2) fostering stability in international currency
19 markets and developing mechanisms to assure great-
20 er coordination, consistency, and cooperation be-
21 tween international trade and monetary systems and
22 institutions in order to protect against the trade
23 consequences of significant and unanticipated cur-
24 rency movements;

25 (3) promoting respect for workers' rights, by—

1 (A) reviewing the relationship between
2 workers' rights and the operation of inter-
3 national trading systems and specific trade ar-
4 rangements; and

5 (B) seeking the effective implementation in
6 the International Labor Organization (in this
7 Act, referred to as the "ILO") of the Declara-
8 tion on Fundamental Principles and Rights at
9 Work and its monitoring mechanism to ensure
10 the systematic examination of, and reporting
11 on, the extent to which ILO members promote
12 and enforce the freedom of association, the
13 right to organize and bargain collectively, a pro-
14 hibition on the use of forced labor, a prohibition
15 on exploitative child labor, and a prohibition on
16 discrimination in employment;

17 (4) expanding the production of goods and
18 trade in goods and services to ensure the optimal
19 use of the world's resources, while seeking to protect
20 and preserve the environment and to enhance the
21 international means for doing so;

22 (5) supporting United States counternarcotics
23 strategy by promoting export diversification and
24 broad-based economic development in countries and
25 regions engaged in drug-crop production in order to

1 create viable alternatives to production of and trade
2 in illicit drugs;

3 (6) fostering international peace and security by
4 encouraging the development of the rule of law, civil
5 society and democracy; the practice of good govern-
6 ance principles; the protection of human rights; and
7 religious tolerance in countries and markets with
8 which the United States trades; and

9 (7) reducing illegal migration across inter-
10 national borders by promoting economic growth and
11 development in countries and regions experiencing
12 mass emigration, and thereby providing enhanced
13 local employment opportunities for would-be
14 emigrees.

15 **SEC. 4. TRADE AGREEMENT NEGOTIATING AUTHORITY.**

16 (a) **TARIFF PROCLAMATION AUTHORITY.**—

17 (1) **IN GENERAL.**—Whenever the President de-
18 termines that 1 or more existing duties or other im-
19 port restrictions of any foreign country or the
20 United States are unduly burdening and restricting
21 the foreign trade of the United States and that the
22 purposes and objectives of this Act will be promoted
23 thereby, the President—

24 (A) may enter into trade agreements with
25 foreign governments before—

1 (i) December 31, 2005; or

2 (ii) December 31, 2007, if the author-
3 ity provided by this Act is extended under
4 subsection (c) (or December 31, 2009, if a
5 second extension is approved); and

6 (B) may, consistent with paragraphs (2)
7 through (5), proclaim—

8 (i) such modification or continuance
9 of any existing duty;

10 (ii) such continuance of existing duty-
11 free or excise treatment; or

12 (iii) such additional duties,

13 as the President determines to be required or
14 appropriate to carry out any such trade agree-
15 ment.

16 (2) LIMITATIONS.—No proclamation may be
17 made under paragraph (1) that—

18 (A) reduces any rate of duty (other than a
19 rate of duty that does not exceed 5 percent ad
20 valorem on the date of enactment of this Act)
21 to a rate which is less than 50 percent of the
22 rate of such duty that applies on such date of
23 enactment;

24 (B) provides for a reduction of duty on an
25 article to take effect on a date that is more

1 than 10 years after the first reduction that is
 2 proclaimed to carry out a trade agreement with
 3 respect to such article; or

4 (C) increases any rate of duty above the
 5 rate that applied on the date of enactment of
 6 this Act.

7 (3) AGGREGATE REDUCTION; EXEMPTION FROM
 8 STAGING.—

9 (A) AGGREGATE REDUCTION.—Except as
 10 provided in subparagraph (B), the aggregate re-
 11 duction in the rate of duty on any article which
 12 is in effect on any day pursuant to a trade
 13 agreement entered into under paragraph (1)
 14 shall not exceed the aggregate reduction which
 15 would have been in effect on such day if—

16 (i) a reduction of 3 percent ad valo-
 17 rem or a reduction of $\frac{1}{10}$ of the total re-
 18 duction, whichever is greater, had taken ef-
 19 fect on the effective date of the first reduc-
 20 tion proclaimed under paragraph (1) to
 21 carry out such agreement with respect to
 22 such article; and

23 (ii) a reduction equal to the amount
 24 applicable under clause (i) had taken effect

1 at 1-year intervals after the effective date
2 of such first reduction.

3 (B) EXEMPTION FROM STAGING.—No
4 staging under subparagraph (A) is required
5 with respect to a rate reduction that is pro-
6 claimed under paragraph (1) for an article of a
7 kind that is not produced in the United States.
8 The United States International Trade Com-
9 mission shall advise the President of the iden-
10 tity of articles that may be exempted from stag-
11 ing under this subparagraph.

12 (4) ROUNDING.—If the President determines
13 that such action will simplify the computation of re-
14 ductions under paragraph (3), the President may
15 round an annual reduction by the lesser of—

16 (A) the difference between the reduction
17 without regard to this paragraph and the next
18 lower whole number; or

19 (B) one-half of 1 percent ad valorem.

20 (5) OTHER LIMITATIONS.—A rate of duty re-
21 duction or increase that may not be proclaimed by
22 reason of paragraph (2) may take effect only if a
23 provision authorizing such reduction or increase is
24 included within an implementing bill provided for
25 under section 6 and that bill is enacted into law.

1 (6) EXPANDED TARIFF PROCLAMATION AU-
2 THORITY.—

3 (A) IN GENERAL.—Notwithstanding the
4 provisions of paragraphs (1) through (5), before
5 December 31, 2005 (or before December 31,
6 2007 (or December 31, 2009), if the authority
7 provided by this Act is extended under sub-
8 section (c)), and subject to the consultation and
9 layover requirements of section 115 of the Uru-
10 guay Round Agreements Act (19 U.S.C. 3524)
11 and the notification and consultation require-
12 ments of section 5(a) of this Act, the President
13 may proclaim the modification of any duty, in-
14 cluding any staged rate reduction of any duty
15 resulting from the Uruguay Round Agreements,
16 if the United States has agreed to such modi-
17 fication or staged rate reduction in a negotia-
18 tion for the reciprocal elimination or harmoni-
19 zation of duties, within the same tariff cat-
20 egories, under the auspices of the WTO or as
21 part of an interim agreement leading to the for-
22 mation of a regional free-trade area.

23 (B) NOTICE REQUIRED.—The modification
24 or staged rate reduction authorized under sub-
25 paragraph (A) with respect to any negotiation

initiated after the date of enactment of this Act
 may be proclaimed only on articles in tariff cat-
 egories with respect to which the President has
 provided notice in accordance with section 5(a).

(7) TARIFF MODIFICATIONS UNDER URUGUAY
 ROUND AGREEMENTS ACT.—Nothing in this sub-
 section shall limit the authority provided to the
 President under section 111(b) of the Uruguay
 Round Agreements Act.

(b) AGREEMENTS REGARDING TARIFF AND NON-
 TARIFF BARRIERS.—

(1) IN GENERAL.—

(A) DETERMINATION BY PRESIDENT.—

Whenever the President determines that—

(i) any duty or other import restric-
 tion imposed by any foreign country or the
 United States or any other barrier to, or
 other distortion of, international trade—

(I) unduly burdens or restricts
 the foreign trade of the United States
 or adversely affects the United States
 economy; or

(II) is likely to result in such a
 burden, restriction, or effect; and

1 (ii) the purposes and objectives of this
 2 Act will be promoted thereby, the Presi-
 3 dent may, before December 31, 2005 (or
 4 before December 31, 2007, or December
 5 31, 2009 (whichever is applicable), if the
 6 authority provided under this Act is ex-
 7 tended under subsection (c)) enter into a
 8 trade agreement described in subparagraph
 9 (B).

10 (B) TRADE AGREEMENT DESCRIBED.—A
 11 trade agreement described in this subparagraph
 12 means an agreement with a foreign country
 13 that provides for—

14 (i) the reduction or elimination of
 15 such duty, restriction, barrier, or other dis-
 16 tortion; or

17 (ii) the prohibition of, or limitation on
 18 the imposition of, such barrier or other dis-
 19 tortion.

20 (2) CONDITIONS.—A trade agreement may be
 21 entered into under this subsection only if the fol-
 22 lowing conditions are met:

23 (A) Such agreement makes progress in
 24 meeting the applicable objectives described in
 25 section 3(b).

1 (B) The President satisfies the conditions
 2 set forth in section 5 with respect to such
 3 agreement.

4 (C) Such agreement includes in its text the
 5 following language: “No provision of this Agree-
 6 ment, or any dispute resolution or enforcement
 7 mechanism established hereunder, that inter-
 8 feres (through any means) with, or amends, any
 9 law or standard (or the application of such law
 10 or standard) of the United States relating to
 11 health, safety, labor, environment, or essential
 12 security, shall have any effect, nor shall the
 13 United States be bound by or otherwise recog-
 14 nize the validity of such provision.”.

15 (3) BILLS QUALIFYING FOR TRADE AGREEMENT
 16 APPROVAL PROCEDURES.—

17 (A) IN GENERAL.—The provisions of sec-
 18 tion 151 of the Trade Act of 1974 (in this Act
 19 referred to as “trade agreement approval proce-
 20 dures”) apply to implementing bills submitted
 21 with respect to trade agreements entered into
 22 under this subsection, except that, for purposes
 23 of applying section 151(b)(1)—

24 (i) such implementing bills shall con-
 25 tain only—

1 (I) provisions that approve a
2 trade agreement entered into under
3 this subsection and the statement of
4 administrative action (if any) pro-
5 posed to implement such trade agree-
6 ment;

7 (II) provisions necessary to im-
8 plement such trade agreement; and

9 (III) provisions necessary for
10 purposes of complying with section
11 252 of the Balanced Budget and
12 Emergency Deficit Control Act of
13 1985 in implementing the applicable
14 trade agreement;

15 (ii) the provisions of subparagraph
16 (B) relating to points of order in the Sen-
17 ate shall apply; and

18 (iii) such implementing bills shall not
19 contain any provision that changes the
20 health, safety, labor, environmental, or es-
21 sential security laws or standards of the
22 United States.

23 (B) POINT OF ORDER IN SENATE.—

24 (i) IN GENERAL.—

1 (I) POINT OF ORDER AGAINST
2 IMPLEMENTING BILL.—When the
3 Senate is considering an implementing
4 bill, upon a point of order being made
5 by any Senator against any part of
6 the implementing bill that contains
7 material in violation of subparagraph
8 (A)(i) (II) or (III) or subparagraph
9 (A)(iii), and the point of order is sus-
10 tained by the Presiding Officer, the
11 part of the implementing bill against
12 which the point of order is sustained
13 shall be stricken from the bill.

14 (II) POINT OF ORDER AGAINST
15 UNDERLYING AGREEMENT.—When
16 the Senate is considering an imple-
17 menting bill, upon a point of order
18 being made by any Senator that a
19 trade agreement entered into under
20 this subsection does not satisfy the
21 conditions set forth in paragraph
22 (2)(C), and the point of order is sus-
23 tained by the Presiding Officer, trade
24 agreement approval procedures shall
25 not apply to the implementing bill.

(ii) WAIVERS AND APPEALS.—

(I) WAIVERS.—Before the Presiding Officer rules on a point of order described in clause (i), any Senator may move to waive the point of order and the motion to waive shall not be subject to amendment. A point of order described in clause (i) is waived only by the affirmative vote of at least three-fifths of the Members of the Senate, duly chosen and sworn.

(II) APPEALS.—After the Presiding Officer rules on a point of order under this subparagraph, 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. A ruling of the Presiding Officer on a point of order described in clause (i) is sustained unless at least three-fifths of the Members of the Senate, duly chosen and sworn, vote not to sustain the ruling.

(c) EXTENSION PROCEDURES.—

1 (1) IN GENERAL.—Except as provided in sec-
2 tion 6(b)—

3 (A) subsections (a) and (b) shall apply
4 with respect to agreements entered into before
5 December 31, 2005; and

6 (B) subsections (a) and (b) shall be ex-
7 tended to apply with respect to agreements en-
8 tered into on or after December 31, 2005, and
9 before December 31, 2007, or December 31,
10 2009 (whichever is applicable), if (and only
11 if)—

12 (i) the President requests such exten-
13 sion under paragraph (2); and

14 (ii) Congress adopts an extension ap-
15 proval resolution under paragraph (5) be-
16 fore December 31, 2005 (or before Decem-
17 ber 31, 2007, in the case of a second ex-
18 tension request).

19 (2) REPORT TO CONGRESS BY THE PRESI-
20 DENT.—If the President is of the opinion that the
21 authority under subsections (a) and (b) should be
22 extended, the President shall submit to Congress,
23 not later than July 1, 2005 (or July 1, 2007, in the
24 case of a second extension request), a written report

1 that contains a request for such extension, together
2 with—

3 (A) a description of all trade agreements
4 that have been negotiated under subsections (a)
5 and (b) and, where applicable, the anticipated
6 schedule for submitting such agreements to
7 Congress for approval;

8 (B) a description of the progress that has
9 been made in negotiations to achieve the pur-
10 poses and objectives set out in section 3 (a) and
11 (b) of this Act, and a statement that such
12 progress justifies the continuation of negotia-
13 tions; and

14 (C) a statement of the reasons why the ex-
15 tension is needed to complete the negotiations.

16 (3) REPORT TO CONGRESS BY THE ADVISORY
17 COMMITTEE.—The President shall promptly inform
18 the Advisory Committee for Trade Policy and Nego-
19 tiations established under section 135 of the Trade
20 Act of 1974 (19 U.S.C. 2155) of the President’s de-
21 cision to submit a report to Congress under para-
22 graph (2). The Advisory Committee shall submit to
23 Congress as soon as practicable, but not later than
24 August 1, 2005 (or August 1, 2007, in the case of

1 a second extension request), a written report that
 2 contains—

3 (A) its views regarding the progress that
 4 has been made in negotiations to achieve the
 5 purposes and objectives of this Act; and

6 (B) a statement of its views, and the rea-
 7 sons therefor, regarding whether the extension
 8 requested under paragraph (2) should be ap-
 9 proved or disapproved.

10 (4) REPORTS MAY BE CLASSIFIED.—The re-
 11 ports submitted to Congress under paragraphs (2)
 12 and (3), or any portion of the reports, may be classi-
 13 fied to the extent the President determines appro-
 14 priate.

15 (5) EXTENSION APPROVAL RESOLUTIONS.—

16 (A) IN GENERAL.—For purposes of this
 17 subsection, the term “extension approval resolu-
 18 tion” means a joint resolution of the two
 19 Houses of Congress, the matter after the resolv-
 20 ing clause of which is as follows: “That the
 21 Congress approves the request of the President
 22 for an extension, under section 4(c) of the
 23 Trade Promotion Act of 2001, of _____
 24 after _____.”, with the first blank space
 25 being filled with one or both of the following

phrases: “the tariff proclamation authority provided under section 4(a) of the Trade Promotion Act of 2001” or “the trade agreement approval procedures provided under section 4(b) of the Trade Promotion Act of 2001” and the second blank space being filled with December 31, 2005, in the case of the first extension request and December 31, 2007, in the case of the second extension request.

(B) INTRODUCTION AND REFERRAL.—An extension approval resolution—

(i) may be introduced in either House of Congress by any member of such House;

(ii) shall be jointly referred, in the House of Representatives, to the Committee on Ways and Means and the Committee on Rules; and

(iii) shall be referred, in the Senate, to the Committee on Finance.

(C) FLOOR CONSIDERATION.—The provisions of sections 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to an extension approval resolution.

1 (D) FINAL DATE FOR CONSIDERATION.—It
2 is not in order for either House of Congress to
3 consider an extension approval resolution after
4 December 31, 2007.

5 **SEC. 5. NOTICE AND CONSULTATIONS.**

6 (a) NOTICE AND CONSULTATION BEFORE NEGOTIA-
7 TION.—With respect to any agreement subject to the pro-
8 visions of section 4 (a) or (b), the President shall—

9 (1) not later than 90 calendar days before initi-
10 ating negotiations, provide written notice to Con-
11 gress regarding—

12 (A) the President’s intent to initiate the
13 negotiations;

14 (B) the date the President intends to ini-
15 tiate such negotiations;

16 (C) the specific United States objectives
17 for the negotiations; and

18 (D) whether the President intends to seek
19 an agreement or changes to an existing agree-
20 ment;

21 (2) consult regarding the negotiations—

22 (A) before and promptly after submission
23 of the notice described in paragraph (1), with
24 the Committee on Finance of the Senate, the
25 Committee on Ways and Means of the House of

1 Representatives, and such other committees of
 2 the House and Senate as the President deems
 3 appropriate; and

4 (B) with any other committee that re-
 5 quests consultations in writing; and

6 (3) consult with the appropriate industry sector
 7 advisory committees established under section 135 of
 8 the Trade Act of 1974 before initiating negotiations.

9 (b) CONSULTATION WITH CONGRESS BEFORE
 10 AGREEMENT ENTERED INTO.—

11 (1) CONSULTATION.—Before entering into any
 12 trade agreement under section 4 (a) or (b), the
 13 President shall consult with—

14 (A) the Committee on Ways and Means of
 15 the House of Representatives and the Com-
 16 mittee on Finance of the Senate; and

17 (B) each other committee of the House
 18 and the Senate, and each joint committee of
 19 Congress, which has jurisdiction over legislation
 20 involving subject matters that would be affected
 21 by the trade agreement.

22 (2) SCOPE.—The consultation described in
 23 paragraph (1) shall include consultation with respect
 24 to—

25 (A) the nature of the agreement;

1 (B) how and to what extent the agreement
2 will achieve the applicable purposes and objec-
3 tives of this Act;

4 (C) where applicable, the implementation
5 of the agreement under section 6, including
6 whether the agreement includes subject matter
7 for which supplemental implementing legislation
8 may be required which is not subject to trade
9 agreement approval procedures; and

10 (D) any other agreement the President has
11 entered into or intends to enter into with the
12 country or countries in question.

13 (c) ADVISORY COMMITTEE REPORTS.—The report
14 required under section 135(e)(1) of the Trade Act of 1974
15 regarding any trade agreement entered into under section
16 4(b) of this Act shall be provided to the President, Con-
17 gress, and the United States Trade Representative not
18 later than 30 calendar days after the date on which the
19 President notifies Congress under section 6(a)(1)(A) of
20 the President's intention to enter into the agreement.

21 (d) CONSULTATION BEFORE AGREEMENT INI-
22 TIALED.—In the course of negotiations conducted under
23 this Act, the United States Trade Representative shall
24 consult closely and on a timely basis (including imme-
25 diately before initialing an agreement) with, and keep fully

1 apprised of the negotiations, the congressional advisers for
 2 trade policy and negotiations appointed under section 161
 3 of the Trade Act of 1974 (19 U.S.C. 2211), the Com-
 4 mittee on Finance of the Senate, and the Committee on
 5 Ways and Means of the House of Representatives.

6 **SEC. 6. IMPLEMENTATION OF TRADE AGREEMENTS.**

7 (a) IN GENERAL.—

8 (1) NOTIFICATION AND SUBMISSION.—Any
 9 agreement entered into under section 4(b) shall
 10 enter into force with respect to the United States if
 11 (and only if)—

12 (A) the President, at least 90 calendar
 13 days before the day on which the President en-
 14 ters into the trade agreement, notifies Congress
 15 of the President’s intention to enter into the
 16 agreement, and promptly thereafter publishes
 17 notice of such intention in the Federal Register;

18 (B) within 60 calendar days after entering
 19 into the agreement, the President submits to
 20 Congress a description of those changes to ex-
 21 isting laws that the President considers would
 22 be required in order to bring the United States
 23 into compliance with the agreement;

1 (C) after entering into the agreement, the
2 President submits a copy of the final legal text
3 of the agreement, together with—

4 (i) a draft of an implementing bill de-
5 scribed in section 4(b)(3);

6 (ii) a statement of any administrative
7 action proposed to implement the trade
8 agreement; and

9 (iii) the supporting information de-
10 scribed in paragraph (2); and

11 (D) the implementing bill is enacted into
12 law.

13 (2) SUPPORTING INFORMATION.—The sup-
14 porting information required under paragraph
15 (1)(C)(iii) consists of—

16 (A) an explanation as to how the imple-
17 menting bill and proposed administrative action
18 will change or affect existing law; and

19 (B) a statement—

20 (i) asserting that the agreement
21 makes progress in achieving the applicable
22 purposes and objectives of this Act; and

23 (ii) setting forth the reasons of the
24 President regarding—

1 (I) how and to what extent the
2 agreement makes progress in achiev-
3 ing the applicable purposes and objec-
4 tives referred to in clause (i), and why
5 and to what extent the agreement
6 does not achieve other applicable pur-
7 poses and objectives;

8 (II) whether and how the agree-
9 ment changes provisions of an agree-
10 ment previously negotiated;

11 (III) how the agreement serves
12 the interests of United States com-
13 merce;

14 (IV) why the implementing bill
15 qualifies for trade agreement approval
16 procedures under section 4(b)(3); and

17 (V) any proposed administrative
18 action.

19 (3) RECIPROCAL BENEFITS.—To ensure that a
20 foreign country which receives benefits under a trade
21 agreement entered into under section 4 (a) or (b) is
22 subject to the obligations imposed by such agree-
23 ment, the President shall recommend to Congress in
24 the implementing bill and statement of administra-
25 tive action submitted with respect to such agreement

1 that the benefits and obligations of such agreement
2 apply solely to the parties to such agreement, if such
3 application is consistent with the terms of such
4 agreement. The President may also recommend with
5 respect to any such agreement that the benefits and
6 obligations of such agreement not apply uniformly
7 to all parties to such agreement, if such application
8 is consistent with the terms of such agreement.

9 (b) LIMITATIONS ON TRADE AGREEMENT APPROVAL
10 PROCEDURES.—

11 (1) DISAPPROVAL OF THE NEGOTIATION.—The
12 trade agreement approval procedures shall not apply
13 to any implementing bill that contains a provision
14 approving any trade agreement that is entered into
15 under section 4(b) with any foreign country if the
16 Committee on Finance of the Senate and the Com-
17 mittee on Ways and Means of the House of Rep-
18 resentatives disapprove of the negotiation of the
19 agreement before the close of the 90-calendar day
20 period that begins on the date notice is provided
21 under section 5(a)(1) with respect to the negotiation
22 of such agreement.

23 (2) LACK OF NOTICE OR CONSULTATIONS.—

24 (A) IN GENERAL.—The trade agreement
25 approval procedures shall not apply to any im-

1 plementing bill submitted with respect to a
 2 trade agreement entered into under section 4(b)
 3 if during the 60-day period beginning on the
 4 date that 1 House of Congress agrees to a pro-
 5 cedural disapproval resolution for lack of notice
 6 or consultations with respect to that trade
 7 agreement, the other House separately agrees
 8 to a procedural disapproval resolution with re-
 9 spect to that agreement.

10 (B) PROCEDURAL DISAPPROVAL RESOLU-
 11 TION.—For purposes of this paragraph, the
 12 term “procedural disapproval resolution” means
 13 a resolution of either House of Congress, the
 14 sole matter after the resolving clause of which
 15 is as follows: “That the President has failed or
 16 refused to notify or consult (as the case may
 17 be) with Congress in accordance with sections 5
 18 and 6 of the Trade Promotion Act of 2001 with
 19 respect to _____ and, therefore, the trade
 20 agreement approval procedures set forth in sec-
 21 tion 4(b) of that Act shall not apply to any im-
 22 plementing bill submitted with respect to that
 23 trade agreement.”, with the blank space being
 24 filled with a description of the trade agreement
 25 with respect to which the President is consid-

ered to have failed or refused to notify or consult.

(C) COMPUTATION OF CERTAIN PERIODS OF TIME.—The 60-day period of time described in subparagraph (A) shall be computed without regard to—

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of Congress sine die; and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

(3) PROCEDURES FOR CONSIDERING PROCEDURAL DISAPPROVAL RESOLUTION.—

(A) PROCEDURAL DISAPPROVAL RESOLUTION.—A procedural disapproval resolution—

(i) in the House of Representatives—

(I) shall be introduced by the chairman or ranking minority member of the Committee on Ways and Means or the chairman or ranking minority member of the Committee on Rules;

1 (II) shall be jointly referred to
2 the Committee on Ways and Means
3 and the Committee on Rules; and

4 (III) may not be amended by ei-
5 ther Committee; and

6 (ii) in the Senate, shall be an original
7 resolution of the Committee on Finance.

8 (B) FLOOR CONSIDERATION.—The provi-
9 sions of section 152 (d) and (e) of the Trade
10 Act of 1974 (19 U.S.C. 2192 (d) and (e)) (re-
11 lating to the floor consideration of certain reso-
12 lutions in the House and Senate) apply to a
13 procedural disapproval resolution.

14 (C) COMMITTEE ACTION REQUIRED.—

15 (i) HOUSE OF REPRESENTATIVES.—It
16 is not in order for the House of Represent-
17 atives to consider any procedural dis-
18 approval resolution not reported by the
19 Committee on Ways and Means and the
20 Committee on Rules.

21 (ii) SENATE.—It is not in order for
22 the Senate to consider any procedural dis-
23 approval resolution not reported by the
24 Committee on Finance.

1 (c) RULES OF HOUSE OF REPRESENTATIVES AND
 2 SENATE.—Subsection (b) of this section and section 4 (b)
 3 and (c) are enacted by Congress—

4 (1) as an exercise of the rulemaking power of
 5 the House of Representatives and the Senate, re-
 6 spectively, and as such are deemed a part of the
 7 rules of each House, respectively, and such proce-
 8 dures supersede other rules only to the extent that
 9 they are inconsistent with such other rules; and

10 (2) with the full recognition of the constitu-
 11 tional right of either House to change the rules (so
 12 far as relating to the procedures of that House) at
 13 any time, in the same manner, and to the same ex-
 14 tent as any other rule of that House.

15 **SEC. 7. TREATMENT OF CERTAIN TRADE AGREEMENTS.**

16 (a) IN GENERAL.—Notwithstanding section
 17 4(a)(6)(B) and section 4(b)(2), the provisions of section
 18 5(a) shall not apply with respect to any agreement that
 19 results from—

20 (1) negotiations under the auspices of the WTO
 21 regarding trade in information technology products;

22 (2) negotiations or work programs initiated
 23 pursuant to a Uruguay Round Agreement, as de-
 24 fined in section 2 of the Uruguay Round Agree-
 25 ments Act;

1 (3) negotiations with Chile, Singapore, Aus-
2 tralia, or New Zealand; or

3 (4) negotiations to achieve a free trade area of
4 the Americas,

5 that was commenced before the date of enactment of this
6 Act, and the applicability of trade agreement approval pro-
7 cedures with respect to such agreements shall be deter-
8 mined without regard to the requirements of section 5(a).

9 (b) **PROCEDURAL DISAPPROVAL RESOLUTION NOT**
10 **IN ORDER.**—A procedural disapproval resolution under
11 section 6(b) shall not be in order with respect to an agree-
12 ment described in subsection (a) of this section based on
13 a failure or refusal to comply with section 5(a).

14 **SEC. 8. CONFORMING AMENDMENTS.**

15 (a) **IN GENERAL.**—Title I of the Trade Act of 1974
16 (19 U.S.C. 2111 et seq.) is amended as follows:

17 (1) **IMPLEMENTING BILL.**—

18 (A) Section 151(b)(1) (19 U.S.C.
19 2191(b)(1)) is amended—

20 (i) by striking “section 1103(a)(1) of
21 the Omnibus Trade and Competitiveness
22 Act of 1988, or section 282 of the Uru-
23 guay Round Agreements Act” and insert-
24 ing “section 282 of the Uruguay Round

1 Agreements Act, or section 6(a)(1) of the
2 Trade Promotion Act of 2001”; and

3 (ii) by adding after subparagraph (C)
4 the following flush sentence:

5 For purposes of applying this paragraph to imple-
6 menting bills submitted with respect to trade agree-
7 ments entered into under section 4(b) of the Trade
8 Promotion Act of 2001, clauses (i), (ii), and (iii) of
9 section 4(b)(3)(A) of such Act shall be substituted
10 for subparagraphs (A), (B), and (C) of this para-
11 graph.”.

12 (B) Section 151(c)(1) (19 U.S.C.
13 2191(c)(1)) is amended by striking “or section
14 282 of the Uruguay Round Agreements Act”
15 and inserting “, section 282 of the Uruguay
16 Round Agreements Act, or section 6(a)(1) of
17 the Trade Promotion Act of 2001”.

18 (2) ADVICE FROM INTERNATIONAL TRADE COM-
19 MISSION.—Section 131 (19 U.S.C. 2151) is
20 amended—

21 (A) in subsection (a)—

22 (i) in paragraph (1), by striking “sec-
23 tion 123 of this Act or section 1102 (a) or
24 (c) of the Omnibus Trade and Competitive-
25 ness Act of 1988,” and inserting “section

1 123 of this Act or section 4 (a) or (b) of
2 the Trade Promotion Act of 2001,”; and

3 (ii) in paragraph (2), by striking “sec-
4 tion 1102 (b) or (c) of the Omnibus Trade
5 and Competitiveness Act of 1988” and in-
6 serting “section 4(b) of the Trade Pro-
7 motion Act of 2001”;

8 (B) in subsection (b), by striking “section
9 1102(a)(3)(A)” and inserting “section
10 4(a)(3)(A) of the Trade Promotion Act of
11 2001” before the end period; and

12 (C) in subsection (c), by striking “section
13 1102 of the Omnibus Trade and Competitive-
14 ness Act of 1988,” and inserting “section 4 of
15 the Trade Promotion Act of 2001,”.

16 (3) HEARINGS AND ADVICE.—Sections 132,
17 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and
18 2154(a)) are each amended by striking “section
19 1102 of the Omnibus Trade and Competitiveness
20 Act of 1988,” each place it appears and inserting
21 “section 4 of the Trade Promotion Act of 2001,”.

22 (4) PREREQUISITES FOR OFFERS.—Section
23 134(b) (19 U.S.C. 2154(b)) is amended by striking
24 “section 1102 of the Omnibus Trade and Competi-

1 tiveness Act of 1988” and inserting “section 4 of the
2 Trade Promotion Act of 2001”.

3 (5) ADVICE FROM PRIVATE AND PUBLIC SEC-
4 TORS.—Section 135 (19 U.S.C. 2155) is amended—

5 (A) in subsection (a)(1)(A), by striking
6 “section 1102 of the Omnibus Trade and Com-
7 petitiveness Act of 1988” and inserting “section
8 4 of the Trade Promotion Act of 2001”;

9 (B) in subsection (e)(1)—

10 (i) by striking “section 1102 of the
11 Omnibus Trade and Competitiveness Act
12 of 1988” each place it appears and insert-
13 ing “section 4 of the Trade Promotion Act
14 of 2001”; and

15 (ii) by striking “section 1103(a)(1)(A)
16 of such Act of 1988” and inserting “sec-
17 tion 6(a)(1)(A) of the Trade Promotion
18 Act of 2001”; and

19 (C) in subsection (e)(2), by striking “the
20 applicable overall and principal negotiating ob-
21 jectives set forth in section 1101 of the Omni-
22 bus Trade and Competitiveness Act of 1988”
23 and inserting “the purposes and objectives set
24 forth in section 3 (a) and (b) of the Trade Pro-
25 motion Act of 2001”.

1 (6) TRANSMISSION OF AGREEMENTS TO CON-
 2 GRESS.—Section 162(a) (19 U.S.C. 2212(a)) is
 3 amended by striking “or under section 1102 of the
 4 Omnibus Trade and Competitiveness Act of 1988”
 5 and inserting “or under section 4 of the Trade Pro-
 6 motion Act of 2001”.

7 (b) APPLICATION OF CERTAIN PROVISIONS.—For
 8 purposes of applying sections 125, 126, and 127 of the
 9 Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and
 10 2137)—

11 (1) any trade agreement entered into under sec-
 12 tion 4 shall be treated as an agreement entered into
 13 under section 101 or 102, as appropriate, of the
 14 Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

15 (2) any proclamation or Executive order issued
 16 pursuant to a trade agreement entered into under
 17 section 4 shall be treated as a proclamation or Exec-
 18 utive order issued pursuant to a trade agreement en-
 19 tered into under section 102 of the Trade Act of
 20 1974.

21 **SEC. 9. DEFINITIONS.**

22 In this Act:

23 (1) DISTORTION.—The term “distortion” in-
 24 cludes, but is not limited to, a subsidy.

1 (2) TRADE.—The term “trade” includes, but is
2 not limited to—

3 (A) trade in both goods and services; and

4 (B) foreign investment by United States
5 persons, especially if such investment has impli-
6 cations for trade in goods and services.

7 (3) URUGUAY ROUND AGREEMENTS.—The term
8 “Uruguay Round Agreements” has the meaning
9 given such term in section 2(7) of the Uruguay
10 Round Agreements Act (19 U.S.C. 3501(7)).

11 (4) WORLD TRADE ORGANIZATION.—The term
12 “World Trade Organization” means the organization
13 established pursuant to the WTO Agreement.

14 (5) WTO AGREEMENT.—The term “WTO
15 Agreement” means the Agreement Establishing the
16 World Trade Organization entered into on April 15,
17 1994.

18 (6) WTO AND WTO MEMBER.—The terms
19 “WTO” and “WTO member” have the meanings
20 given those terms in section 2 of the Uruguay
21 Round Agreements Act (19 U.S.C. 3501).

○