### 111TH CONGRESS 1ST SESSION

# S. 1766

To enhance reciprocal market access for United States domestic producers in the negotiating process of bilateral, regional, and multilateral trade agreements.

### IN THE SENATE OF THE UNITED STATES

October 8, 2009

Mr. Brown (for himself and Mrs. Hagan) introduced the following bill; which was read twice and referred to the Committee on Finance

# A BILL

To enhance reciprocal market access for United States domestic producers in the negotiating process of bilateral, regional, and multilateral 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 "Reciprocal Market Ac-
- 5 cess Act of 2009".
- 6 SEC. 2. FINDINGS AND PURPOSE.
- 7 (a) FINDINGS.—Congress finds the following:
- 8 (1) One of the fundamental tenets of the World
- 9 Trade Organization (WTO) is reciprocal market ac-

- cess. This principle is underscored in the Marrakesh Agreement Establishing the World Trade Organization which called for "entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international trade relations".
  - (2) With each subsequent round of bilateral, regional, and multilateral trade negotiations, tariffs have been significantly reduced or eliminated for many manufactured goods, leaving nontariff barriers as the most pervasive, significant, and challenging barriers to United States exports and market opportunities.
  - (3) The United States market is widely recognized as one of the most open markets in the world. Average United States tariff rates are very low and the United States has limited, if any, nontariff barriers.
  - (4) Often the only leverage the United States has to obtain the reduction or elimination of non-tariff barriers imposed by foreign countries is to negotiate the amount of tariffs the United States imposes on imports from those foreign countries.

- 1 (5) Under the current negotiating process, ne2 gotiations to reduce or eliminate tariff barriers and
  3 nontariff barriers are separate and self-contained,
  4 meaning that tradeoffs are tariff-for-tariff and non5 tariff-for-nontariff. As a result, a tariff can be re6 duced or eliminated without securing elimination of
  7 the real barrier or barriers that deny United States
  8 businesses access to a foreign market.
- 9 (b) Purpose.—The purpose of this Act is to require
  10 that United States trade negotiations achieve measurable
  11 results for United States businesses by ensuring that
  12 trade agreements result in expanded market access for
  13 United States exports and not solely the elimination of
  14 tariffs on goods imported into the United States.

## 15 SEC. 3. LIMITATION ON AUTHORITY TO REDUCE OR ELIMI-

- 16 NATE RATES OF DUTY PURSUANT TO CER-17 TAIN TRADE AGREEMENTS.
- 18 (a) LIMITATION.—Notwithstanding any other provi19 sion of the law, on or after the date of the enactment of
  20 this Act, the President may not agree to a modification
  21 of an existing duty that would reduce or eliminate the
  22 bound or applied rate of such duty on any product in order
  23 to carry out a trade agreement entered into between the

United States and a foreign country until the President

- 1 transmits to Congress a certification described in sub-2 section (b).
- 3 (b) Certification.—A certification referred to in
- 4 subsection (a) is a certification by the President that—
  5 (1) the United States has obtained the reduc-
- 6 tion or elimination of tariff and nontariff barriers
- o tion or elimination of tariff and nontariff parriers
- 7 and policies and practices of the government of a
- 8 foreign country described in subsection (a) with re-
- 9 spect to United States exports of any product identi-
- 10 field by United States domestic producers as having
- 11 the same physical characteristics and uses as the
- 12 product for which a modification of an existing duty
- is sought by the President as described in subsection
- 14 (a); and
- 15 (2) a violation of any provision of the trade
- agreement described in subsection (a) relating to the
- matters described in paragraph (1) is immediately
- enforceable in accordance with the provisions of sec-
- 19 tion 4.

#### 20 SEC. 4. ENFORCEMENT PROVISIONS.

- 21 (a) WITHDRAWAL OF TARIFF CONCESSIONS.—If the
- 22 President does agree to a modification described in section
- 23 3(a), and the United States Trade Representative deter-
- 24 mines pursuant to subsection (c) that—

1	(1) a tariff or nontariff barrier or policy or
2	practice of the government of a foreign country de-
3	scribed in section 3(a) has not been reduced or
4	eliminated, or
5	(2) a tariff or nontariff barrier or policy or
6	practice of such government has been imposed or
7	discovered,
8	the modification shall be withdrawn until such time as the
9	United States Trade Representative submits to Congress
10	a certification described in section $3(b)(1)$ .
11	(b) Investigation.—
12	(1) IN GENERAL.—The United States Trade
13	Representative shall initiate an investigation if an
14	interested party files a petition with the United
15	States Trade Representative which alleges the ele-
16	ments necessary for the withdrawal of the modifica-
17	tion of an existing duty under subsection (a), and
18	which is accompanied by information reasonably
19	available to the petitioner supporting such allega-
20	tions.
21	(2) Interested party defined.—For pur-
22	poses of paragraph (1), the term "interested party"
23	means—
24	(A) a manufacturer, producer, or whole-

saler in the United States of a domestic product

that has the same physical characteristics and uses as the product for which a modification of an existing duty is sought;

- (B) a certified union or recognized union or group of workers engaged in the manufacture, production, or wholesale in the United States of a domestic product that has the same physical characteristics and uses as the product for which a modification of an existing duty is sought;
- (C) a trade or business association a majority of whose members manufacture, produce, or wholesale in the United States a domestic product that has the same physical characteristics and uses as the product for which a modification of an existing duty is sought; and
- (D) a member of the Committee on Ways and Means of the House of Representatives or a member of the Committee on Finance of the Senate.
- 21 (c) Determination by USTR.—Not later than 45 22 days after the date on which a petition is filed under sub-23 section (b), the United States Trade Representative 24 shall—

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	(1) determine whether the petition alleges the
2	elements necessary for the withdrawal of the modi-
3	fication of an existing duty under subsection (a);
1	and

(2) notify the petitioner of the determination under paragraph (1) and the reasons for the determination.

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