

115TH CONGRESS
1ST SESSION

H. R. 2734

To require the Department of Commerce to address the trade deficits between the United States and other countries, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Ms. SLAUGHTER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To require the Department of Commerce to address the trade deficits between the United States and other countries, 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 “Trade Enforcement
5 and Trade Deficit Reduction Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) The United States market is widely recog-
9 nized as one of the most open markets in the world.

10 Average United States tariff rates are very low and

1 the United States has limited, if any, nontariff bar-
2 riers.

3 (2) With each subsequent round of bilateral, re-
4 gional, and multilateral trade negotiations, tariffs
5 have been significantly reduced or eliminated for
6 many manufactured goods, leaving nontariff barriers
7 as the most pervasive, significant, and challenging
8 barriers to United States exports and market oppor-
9 tunities.

10 (3) Often the only leverage the United States
11 has to obtain the reduction or elimination of non-
12 tariff barriers imposed by foreign countries is to ne-
13 gotiate the amount of tariffs the United States im-
14 poses on imports from those foreign countries.

15 (4) The United States has become the world's
16 largest net debtor nation, having run up massive
17 trade deficits since the mid-1970s.

18 (5) Every year since 1976, whether in expan-
19 sion or recession, the United States has run a deficit
20 in goods and services trade, which weakens and de-
21 tracts from America's global leadership position.

22 (6) The United States trade deficit in 1993, the
23 year before the North American Free Trade Agree-
24 ment (NAFTA) went into force, was \$135.6 billion.

1 (7) In 2015, the United States had a deficit in
2 the balance of trade in goods and services of \$939.8
3 billion.

4 (8) In 2015, the United States had a trade def-
5 icit of \$179 billion with countries with which it has
6 free trade agreements.

7 (9) Persistent deficits weaken the United States
8 economy, defense industrial base, and innovation
9 system and increase the likelihood of ownership of
10 large segments of the United States economy by for-
11 eign interests.

12 **SEC. 3. WITHDRAWAL OF TARIFF CONCESSIONS.**

13 (a) IN GENERAL.—If the Department of Commerce
14 determines pursuant to subsection (c) that—

15 (1) a tariff or nontariff barrier or policy or
16 practice of the government of a foreign country with
17 respect to United States exports of any product has
18 not been reduced or eliminated in accordance with
19 the terms of a trade agreement entered into between
20 the United States and the foreign country; or

21 (2) a tariff or nontariff barrier or policy or
22 practice of such government with respect to United
23 States exports of any product has been imposed or
24 discovered,

1 the United States Trade Representative shall withdraw
2 any modification of any duty that reduced or eliminated
3 the bound or applied rate of duty on any product that
4 has the same physical characteristics and uses as a prod-
5 uct described in paragraph (1) or (2) until such time as
6 the Department of Commerce submits to Congress a cer-
7 tification that the foreign government has reduced or
8 eliminated the tariff or nontariff barrier or policy or prac-
9 tice.

10 (b) INVESTIGATION.—

11 (1) IN GENERAL.—The Department of Com-
12 merce shall initiate an investigation if an interested
13 party files a petition with the Department of Com-
14 merce which alleges the elements necessary for the
15 withdrawal of the modification of an existing duty
16 under subsection (a), and which is accompanied by
17 information reasonably available to the petitioner
18 supporting such allegations.

19 (2) INTERESTED PARTY DEFINED.—For pur-
20 poses of paragraph (1), the term “interested party”
21 means—

22 (A) a manufacturer, producer, or whole-
23 saler in the United States of a domestic product
24 that has the same physical characteristics and

1 uses as the product for which a modification of
2 an existing duty is sought;

3 (B) a certified union or recognized union
4 or group of workers engaged in the manufac-
5 ture, production, or wholesale in the United
6 States of a domestic product that has the same
7 physical characteristics and uses as the product
8 for which a modification of an existing duty is
9 sought;

10 (C) a trade or business association a ma-
11 jority of whose members manufacture, produce,
12 or wholesale in the United States a domestic
13 product that has the same physical characteris-
14 tics and uses as the product for which a modi-
15 fication of an existing duty is sought; or

16 (D) a member of the Committee on Ways
17 and Means of the House of Representatives or
18 a member of the Committee on Finance of the
19 Senate.

20 (c) DETERMINATION BY THE DEPARTMENT OF COM-
21 MERCE.—Not later than 45 days after the date on which
22 a petition is filed under subsection (b), the Department
23 of Commerce shall—

24 (1) determine whether the petition alleges the
25 elements necessary for the withdrawal of the modi-

1 fication of an existing duty under subsection (a);
2 and

3 (2) notify the petitioner of the determination
4 under paragraph (1) and the reasons for the deter-
5 mination.

6 **SEC. 4. TRADE DEFICIT REDUCTION.**

7 (a) IDENTIFICATION.—

8 (1) IN GENERAL.—Not later than 60 days after
9 the date of the enactment of this Act, and monthly
10 thereafter, the Department of Commerce shall iden-
11 tify each country from which the value of goods and
12 services imported into the United States exceeds
13 twice the value of goods and services that are prod-
14 ucts of the United States that are exported from the
15 United States to that country.

16 (2) STATISTICAL SOURCES.—For purposes of
17 the calculations described in this section, the De-
18 partment of Commerce shall use the goods and serv-
19 ices trade deficit data compiled by the United States
20 International Trade Commission, specifically—

21 (A) U.S. Imports for Consumption data, in
22 the case of imports; and

23 (B) U.S. Domestic Exports data, in the
24 case of exports.

1 (3) EXCLUSION OF LEAST DEVELOPED COUN-
2 TRIES.—For purposes of this subsection, the term
3 “country” does not include a country that is identi-
4 fied on the most recent List of Least Developed
5 Countries published by the United Nations Com-
6 mittee for Development Policy.

7 (b) ACTION BY U.S. CUSTOMS AND BORDER PRO-
8 TECTION.—In the case of a country which is identified
9 under subsection (a) for six consecutive months, U.S. Cus-
10 toms and Border Protection shall bar the importation of
11 products from a country identified under subsection (a),
12 other than those granted a waiver under subsection (c),
13 beginning 180 days after the date on which a determina-
14 tion is made under subsection (a) until such time that—

15 (1) such country is no longer identified under
16 subsection (a); or

17 (2) the President has provided written notice to
18 Congress of the President’s intention to enter into
19 negotiations with such country to enter into a trade
20 agreement, or changes to an existing trade agree-
21 ment, with such country pursuant to section
22 105(a)(1)(A) of the Bipartisan Congressional Trade
23 Priorities and Accountability Act of 2015 (19 U.S.C.
24 4204(a)(1)(A)).

1 (c) WAIVER.—A manufacturer, producer, or whole-
2 saler in the United States may apply to the Department
3 of Commerce to allow the importation of a product from
4 a country identified under subsection (a), which the De-
5 partment of Commerce shall grant—

- 6 (1) if it is shown that such product is not avail-
7 able in sufficient quantities from other sources; and
8 (2) for a period not to exceed one year.

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