

119TH CONGRESS
1ST SESSION

S. 3399

To authorize the President to enter into digital trade agreements, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 9, 2025

Mr. YOUNG (for himself, Mr. COONS, Mr. MORAN, and Mr. BENNET) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To authorize the President to enter into digital trade agreements, 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 “Digital Trade Pro-
5 motion Act of 2025”.

6 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) The Bureau of Economic Analysis found
10 that the digital economy contributed roughly 10 per-

1 cent of United States gross domestic product and
2 supported approximately 8,900,000 United States
3 jobs in 2022.

4 (2) In 2023, United States exports of digital
5 services surpassed \$655,000,000,000, accounting for
6 more than half of all United States services exports
7 and generating a digital services trade surplus for
8 the United States of roughly \$266,800,000,000.

9 (3) Digital trade bolsters the economy by ena-
10 bling the sale of goods and the supply of services
11 across borders.

12 (4) Digital trade has become increasingly vital
13 to United States workers and businesses of all sizes,
14 including manufacturers, farmers, industrial facili-
15 ties, service suppliers, and countless small and me-
16 dium-sized enterprises that use digital technology to
17 produce and export goods and services across the
18 world.

19 (5) Digital trade is crucial for the global com-
20 petitiveness of the United States, as United States
21 industry relies on free and secure cross-border data
22 flows to deploy cutting-edge technology essential to
23 innovation and productivity.

24 (6) Digital innovation has provided new oppor-
25 tunities for economic development, entrepreneurship,

1 and growth in developing countries around the
2 world.

3 (7) Countries have negotiated international
4 rules governing digital trade in various bilateral and
5 plurilateral agreements, but those rules remain frag-
6 mented.

7 (8) The United States, through free trade
8 agreements and trade negotiations, has been a lead-
9 er in developing rules and standards governing dig-
10 ital trade and electronic commerce that have helped
11 the United States and partners of the United States
12 unlock the economic potential of digital innovation.

13 (9) Certain countries, including the People's
14 Republic of China, are advancing discriminatory dig-
15 ital policies that undermine United States companies
16 and workers by enabling censorship, surveillance,
17 forced technology transfers, and data flow restric-
18 tions at the expense of human rights, the rule of
19 law, privacy, and an open internet.

20 (b) SENSE OF CONGRESS.—It is the sense of Con-
21 gress that—

22 (1) there is a need for agreements on digital
23 trade, as Congress recognized by its support for a
24 robust digital trade chapter in the United States-

1 Mexico-Canada Agreement, which has been of crit-
2 ical importance to all sectors of the economy;

3 (2) negotiating strong digital trade principles
4 and commitments with countries across the globe en-
5 ables the United States to unite like-minded coun-
6 tries around common standards and ensure that
7 principles of democracy, rule of law, freedom of
8 speech, human and worker rights, privacy, and a
9 free and open internet are at the very core of digital
10 governance; and

11 (3) even as domestic statutes and regulations
12 governing the digital economy continue to develop
13 and evolve, the United States should cooperate with
14 its allies and trading partners to advance global dig-
15 ital trade rules that reflect United States interests
16 and values.

17 **SEC. 3. DEFINITIONS.**

18 In this Act:

19 (1) APPROPRIATE COMMITTEES OF CON-
20 GRESS.—The term “appropriate committees of Con-
21 gress” means—

22 (A) the Committee on Finance of the Sen-
23 ate; and

24 (B) the Committee on Ways and Means of
25 the House of Representatives.

1 (2) COUNTRY.—The term “country” means any
2 foreign country or territory, including any overseas
3 dependent territory or possession of a foreign coun-
4 try.

5 (3) TRADE REPRESENTATIVE.—The term
6 “Trade Representative” means the United States
7 Trade Representative.

8 (4) DIGITAL TRADE AGREEMENT.—The term
9 “digital trade agreement” means an agreement with
10 one or more trusted trade partners entered into
11 under section 4.

12 **SEC. 4. AUTHORITY TO ENTER INTO DIGITAL TRADE**
13 **AGREEMENTS.**

14 (a) IN GENERAL.—The President may, subject to the
15 requirements under section 5, negotiate, enter into, and
16 enforce a digital trade agreement with a country or coun-
17 tries.

18 (b) CONSIDERATIONS.—In determining whether to
19 enter into negotiations for a digital trade agreement with
20 a country pursuant to subsection (a), the President shall
21 take into account whether the government of the country
22 has—

23 (1) expressed a desire to enter into such an
24 agreement;

1 (2) adhered to and implemented the commit-
2 ments and obligations under any existing free trade
3 agreements to which that country and the United
4 States are parties;

5 (3) implemented measures to reduce or elimi-
6 nate unnecessary trade barriers and distorting prac-
7 tices affecting electronic commerce;

8 (4) maintained the rule of law by enacting and
9 enforcing laws and regulations in a clear, publicized,
10 transparent, and nondiscriminatory manner; and

11 (5) adopted and enforced laws that provide ade-
12 quate and effective protection of intellectual property
13 rights reflecting a standard of protection similar to
14 that found under United States law.

15 (c) CONTENT OF DIGITAL TRADE AGREEMENTS.—

16 A digital trade agreement shall apply to all sectors of the
17 economy and provide for—

18 (1) nondiscriminatory treatment of digital prod-
19 ucts and digital services;

20 (2) prohibition of discriminatory taxes on dig-
21 ital services;

22 (3) the free flow of data across borders and the
23 prohibition of data localization requirements;

24 (4) frameworks for the secure transfer and
25 sharing of industrial data and other sensitive data

1 that bolster data security, including through the pro-
2 motion and protection of end-to-end encryption;

3 (5) the protection of consumers engaged in elec-
4 tronic commerce, including the promotion of inter-
5 operability mechanisms, such as the Cross-Border
6 Privacy Rules of the Asia-Pacific Economic Coopera-
7 tion, or successor frameworks, to facilitate inter-
8 national data transfers while ensuring the protection
9 of the privacy of personal information;

10 (6) prohibition of forced transfer or disclosure
11 of source code, algorithms, cryptographic technology,
12 trade secrets, and other proprietary technology as a
13 condition of market access;

14 (7) cooperation to advance interoperable, risk-
15 based frameworks for the development, deployment,
16 and cross-border trade in emerging digital tech-
17 nologies, including artificial intelligence and quan-
18 tum computing;

19 (8) cooperation in addressing cybersecurity
20 threats and adherence to risk-based approaches to
21 mitigating cybersecurity threats, including sharing
22 of information and coordination on incident response
23 and best practices based on consensus standards;

1 (9) prohibition of customs duties on electronic
2 transmissions, including on content transmitted elec-
3 tronically;

4 (10) promotion of voluntary, international
5 standards for digital technologies and services;

6 (11) promotion of alignment on export controls,
7 sanctions, and investment review mechanisms that
8 impact digital trade;

9 (12) greater transparency in domestic regula-
10 tion of services;

11 (13) promotion of risk-based approaches to gov-
12 ernment procurement of hardware and software to
13 support secure digital infrastructure;

14 (14) other provisions that, in the judgment of
15 the Trade Representative, would advance the na-
16 tional interests of the United States with respect to
17 digital trade; and

18 (15) exceptions to the provisions described in
19 paragraphs (1) through (14) to allow for the protec-
20 tion of legitimate public policy objectives and na-
21 tional security.

1 **SEC. 5. CONGRESSIONAL OVERSIGHT, NOTICE, CONSULTA-**
2 **TIONS, ACCESS TO INFORMATION, AND RE-**
3 **VIEW.**

4 (a) NOTICE.—Not later than 60 days before initi-
5 ating negotiations with a country under section 4(a) for
6 a digital trade agreement, the President shall submit to
7 Congress written notice of the intention of the President
8 to enter into the negotiations, which shall include the date
9 on which negotiations will begin and the country with
10 which the President seeks to enter into the agreement.

11 (b) CONSULTATION WITH MEMBERS OF CON-
12 GRESS.—

13 (1) CONSULTATION DURING NEGOTIATIONS AND
14 ACCESS TO INFORMATION.—In the course of negotia-
15 tions under section 4(a) for a digital trade agree-
16 ment, the Trade Representative shall—

17 (A) meet upon request with the appro-
18 priate committees of Congress regarding negoti-
19 ating objectives, the status of negotiations in
20 progress, and potential effects to the laws of
21 the United States resulting from the agreement;

22 (B) upon request by the appropriate com-
23 mittees of Congress, provide access to pertinent
24 documents relating to the negotiations; and

1 (C) consult closely and on a timely basis
2 with, and keep fully apprised of the negotia-
3 tions, the appropriate committees of Congress.

4 (2) CONSULTATION BEFORE ENTRY INTO
5 AGREEMENT.—Before entering into a digital trade
6 agreement under section 4, the Trade Representative
7 shall consult with—

8 (A) the appropriate committees of Con-
9 gress; and

10 (B) each other committee of the Senate
11 and the House of Representatives, and each
12 joint committee of Congress, that has jurisdic-
13 tion over legislation involving a subject matter
14 that would be affected by the agreement.

15 (c) CONSULTATION WITH FEDERAL AGENCIES.—In
16 the course of negotiations under section 4(a) for a digital
17 trade agreement, the Trade Representative shall inform
18 and consult with any Federal agency having expertise in
19 the matters being negotiated.

20 (d) REPORT TO CONGRESS.—Not later than 60 days
21 before the date on which the President enters into a digital
22 trade agreement with a country under section 4, the Presi-
23 dent shall submit to Congress a report describing—

24 (1) the nature and scope of the agreement;

25 (2) the proposed duration of the agreement;

1 (3) how and to what extent the agreement will
2 achieve the applicable purposes, policies, priorities,
3 and objectives of this Act;

4 (4) whether sufficient evidence exists dem-
5 onstrating that the country satisfies the conditions
6 under section 4(b); and

7 (5) the proposed implementation of the agree-
8 ment, including the general effect of the agreement
9 on existing laws.

10 (e) CONGRESSIONAL RIGHT TO REVIEW AND DIS-
11 APPROVE.—

12 (1) IN GENERAL.—A digital trade agreement
13 shall not take effect until—

14 (A) the proposed agreement and the report
15 required by subsection (d) with respect to that
16 agreement have been submitted to Congress;
17 and

18 (B) the review period required by para-
19 graph (2) following the date on which the pro-
20 posed agreement has been submitted to Con-
21 gress under subparagraph (A) has been ex-
22 hausted, during which period a joint resolution
23 is not enacted under paragraph (4).

24 (2) REVIEW.—

1 (A) INITIAL REVIEW.—Unless extended
2 under subparagraph (B) or (C), the review pe-
3 riod under this paragraph with respect to a dig-
4 ital trade agreement is 30 days, during which
5 time Congress shall review—

6 (i) the proposed agreement; and

7 (ii) whether—

8 (I) the President failed or re-
9 fused to provide notice with respect to
10 the agreement in accordance with sub-
11 section (a);

12 (II) the President failed or re-
13 fused to consult with respect to the
14 agreement in accordance with sub-
15 sections (b) and (c);

16 (III) the President failed or re-
17 fused to submit to Congress a report
18 with respect to the agreement in ac-
19 cordance with subsection (d); or

20 (IV) the President failed or re-
21 fused to demonstrate that the agree-
22 ment would achieve the applicable
23 purposes, policies, priorities, and ob-
24 jectives of this Act.

1 (B) FURTHER REVIEW.—If, during the 30-
2 day period under subparagraph (A) with re-
3 spect to a digital trade agreement, one House
4 of Congress adopts a resolution stating that the
5 House of Congress wishes to further review the
6 proposed agreement, the review period under
7 this paragraph with respect to the proposed
8 agreement shall be extended by a period of 60
9 days, during which time the appropriate com-
10 mittees of Congress shall engage the President
11 with respect to the proposed agreement and the
12 failures or refusals of the President specified
13 under subparagraph (A).

14 (C) ADDITIONAL PERIOD.—If, during the
15 60-day period under subparagraph (B) with re-
16 spect to a digital trade agreement, one House
17 of Congress adopts a resolution stating that the
18 House of Congress wishes to further review the
19 proposed agreement, the review period under
20 this paragraph with respect to the proposed
21 agreement shall be further extended by a period
22 of 30 days.

23 (3) PROCEDURES FOR CONSIDERING RESOLU-
24 TIONS.—A resolution under subparagraph (B) or
25 (C) of paragraph (2)—

1 (A) in the Senate—

2 (i) may be introduced by any Member
3 of the Senate;

4 (ii) shall be referred to the Committee
5 on Finance; and

6 (iii) may not be amended;

7 (B) in the House of Representatives—

8 (i) may be introduced by any Member
9 of the House;

10 (ii) shall be referred to the Committee
11 on Ways and Means or the Committee on
12 Rules; and

13 (iii) may not be amended by either
14 Committee; and

15 (C) the vote on passage of the resolution
16 shall occur immediately following the conclusion
17 of the debate on the digital trade agreement at
18 issue and a single quorum call at the conclusion
19 of the debate.

20 (4) DISAPPROVAL.—If, during the review period
21 required under paragraph (2) with respect to a dig-
22 ital trade agreement, a joint resolution is enacted
23 stating that Congress does not favor the agreement,
24 the agreement shall not take effect.

1 **SEC. 6. MONITORING AND ENFORCEMENT OF CONTINUED**
2 **COMPLIANCE WITH DIGITAL TRADE AGREE-**
3 **MENTS.**

4 (a) MONITORING.—The Trade Representative shall
5 periodically monitor compliance by a country with the
6 commitments and obligations of the country under a dig-
7 ital trade agreement.

8 (b) ACTIONS IN RESPONSE TO FAILURE TO COM-
9 PLY.—

10 (1) DETERMINATION AND REPORT OF TRADE
11 REPRESENTATIVE.—If the Trade Representative de-
12 termines that a country has failed to satisfactorily
13 implement, maintain, and enforce the commitments
14 and obligations of the country under a digital trade
15 agreement, the Trade Representative shall submit to
16 the President a report setting forth—

17 (A) the determination and the findings
18 that support the determination; and

19 (B) based on such findings, the rec-
20 ommendations of the Trade Representative for
21 action or inaction under this subsection.

22 (2) DETERMINATION OF PRESIDENT.—Not
23 later than 30 days after receiving a report under
24 paragraph (1) with respect to a country, the Presi-
25 dent shall—

1 (A) determine whether the President con-
2 curs with the determination of the Trade Rep-
3 resentative set forth in the report; and

4 (B) if the President concurs, determine
5 whether—

6 (i) to suspend, withdraw, or prevent
7 the application of the digital trade agree-
8 ment with the country;

9 (ii) to enter into a binding agreement
10 with the country that commits the coun-
11 try—

12 (I) to eliminate any burden or re-
13 striction on the United States result-
14 ing from the failure of the country to
15 comply with the commitments and ob-
16 ligations of the country under a dig-
17 ital trade agreement; and

18 (II) to provide the United States
19 with such compensatory trade benefits
20 as are negotiated between the Trade
21 Representative and the country; or

22 (iii) to take such other actions as the
23 Trade Representative considers necessary
24 to encourage the country to adhere to the

1 commitments and obligations of the coun-
2 try under a digital trade agreement.

3 (3) **TIMELINE FOR ACTION.**—If the President
4 determines under paragraph (2)(B) to take action,
5 the President shall implement that action by not
6 later than the date that is 15 days after the day on
7 which the President determines to take action under
8 that paragraph.

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