

Committee on Ways and Means

Bipartisan Trade Compromise

- The package included five major bills: Trade Promotion Authority (TPA), Trade Adjustment Assistance (TAA), Andean Trade Promotion Authority (ATPA), Generalized System of Preferences (GSP) and the Customs Border Security Act.
- **TPA** - H.R. 3009 grants the president the power to negotiate international trade agreements in consultation with Congress, while allowing Congressional approval or rejection without amendments. Since 1974, every president has had this authority.
- When this authority was not renewed in 1994 despite the efforts of many Republicans, President Clinton was limited in his ability to negotiate trade agreements that would further open global markets to U.S. products, services and agricultural commodities.
- **TAA** - The bill extends temporary help to those who, through no fault of their own, have lost their jobs through a trade-related circumstance. It offers a 65 percent refundable tax credit to provide laid-off workers access to affordable health insurance. It also adds 26 weeks of benefits to match training and assists farmers who are not entitled to benefits under the Farm Bill.
- Allows workers to receive benefits if their firm shifts production to any country with a free trade agreement with the United States or to a country eligible under the Caribbean Basin Initiative, the Africa Growth and Opportunity Act, or the Andean Trade Preferences Act.
- Also allows workers to receive benefits if their firm shifts production to a country and imports have increased, or are likely to increase.
- **ATPA and GSP** - In an effort to build mutually beneficial partnerships, the legislation includes benefits to assist Andean, Caribbean, and African regions by expanding existing trade relationships and renewing the Generalized System of Preferences through 2006 while requiring new criteria on the worst forms of child labor and terrorism.
- The **Customs Border Security Act** authorizes the Customs Services' budget with increased funding for borders and transshipment. It provides immunity for Customs inspectors who act in good faith by following federal inspection procedure and use reasonable means during searches.
- For more information on H.R. 3009, the *Trade Act of 2002*, please visit:
<http://waysandmeans.house.gov/fullcomm/107cong/hr3009/hr3009jtexplstate.pdf>