

# **Bipartisan Congressional Trade Priorities and Accountability Act of 2015:**

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### **SECTION 1: SHORT TITLE.**

This section entitles the bill the “Bipartisan Congressional Trade Priorities and Accountability Act of 2015” (Act).

### **SECTION 2: TRADE NEGOTIATING OBJECTIVES.**

This section is divided into three parts: Overall Trade Negotiating Objectives, Principal Trade Negotiating Objectives, and Capacity Building and Other Priorities.

**Subsection 2(a)** establishes overall trade negotiating objectives of the United States for trade agreements, including: obtaining open, equitable and reciprocal market access for U.S. goods and services; obtaining the reduction or elimination of barriers directly related to trade and investment that distort U.S. trade and investment; further strengthening international trade and investment disciplines and procedures, including dispute settlement; fostering economic growth, raising living standards, enhancing U.S. competitiveness, promoting full U.S. employment, and enhancing the global economy; ensuring that trade and environmental policies are mutually supportive and seeking to protect and preserve the environment and enhance the international means of doing so, while optimizing the use of the world’s resources; promoting respect for worker rights and the rights of children; seeking to ensure that environmental and labor laws are not weakened as an encouragement for trade; ensuring that trade agreements afford small businesses equal access to international markets and reducing or eliminating trade and investment barriers that disproportionately impact small businesses; promoting ratification and full compliance with ILO Convention No. 182 regarding prohibition and elimination of the worst forms of child labor; ensuring that trade agreements reflect and facilitate the interrelated, multi-sectoral nature of trade and investment; strengthening good governance, transparency, and the

rule of law of U.S. trading partners, which contributes to the creation of more open democratic societies and the promotion of respect for internationally recognized human rights; recognizing the significance of the Internet as a global trading platform; and taking into account other legitimate domestic objectives including protection of legitimate health or safety, essential security, and consumer interests.

**Subsection 2(b)** establishes the principal trade negotiating objectives of the United States for trade agreements.

(1) *Trade in Goods*: The principal negotiating objectives for trade in goods, set out in subparagraph 2(b)(1), are to expand opportunities for U.S. exports and obtain fairer and more open conditions of trade, including through utilization of global value chains; to reduce or eliminate tariff and nontariff barriers of foreign governments directly related to trade that decrease market opportunities for U.S. goods or distort U.S. trade; and to obtain reciprocal tariff and non-tariff barrier elimination agreements.

(2) *Trade in Services*: The principal negotiating objective for trade in services, set forth in subparagraph 2(b)(2), is to expand opportunities for U.S. services and obtain fairer and more open conditions of trade, including through utilization of global value chains, by reducing or eliminating regulatory and other barriers that deny national treatment and market access or unreasonably restrict the establishment or operations of service suppliers. This section also encourages the pursuit of this objective through all means, including through a plurilateral agreement with countries that are willing and able to undertake high standard services commitments for both existing and new services.

(3) *Trade in Agriculture*: The principal negotiating objective with respect to agriculture, set forth in subparagraph 2(b)(3), includes the directive by Congress to obtain competitive market access opportunities for U.S. agricultural exports substantially equivalent to opportunities afforded foreign exports in U.S. markets and to achieve fairer and more open conditions of trade, including by securing enforceable rules on sanitary and phytosanitary measures (SPS) with respect to transparency, regulatory coherence, and adherence to international standards and science-based risk assessments, while recognizing that countries may protect human, animal, or plant life or health in a manner consistent with their international obligations; reducing or eliminating tariffs, while providing adjustment periods for U.S. import-sensitive products; preserving non-trade distorting programs that support family farms and rural communities; and reducing or eliminating market distorting practices, such as subsidies, trade distorting activities of state trading enterprises, and unjustified commercial requirements. Negotiators are directed to take into account whether trading partners are adhering to existing commitments regarding trade in agriculture and ensure that trading partners do not improperly use their systems for protecting or recognizing geographical indications to undermine market access for U.S. products.

(4) *Foreign Investment*: Subparagraph 2(b)(4) sets out the principal negotiating objectives with respect to foreign investment, which include directives by Congress to reduce barriers to foreign investment, while ensuring that foreign investors in the United States are not accorded greater substantive rights than U.S. investors in the United States, and secure for U.S. investors rights comparable to those available in the United States, including by reducing or

eliminating exceptions to national treatment, freeing transfer of funds relating to investments, reducing or eliminating forced technology transfers and other unreasonable barriers to the establishment and operation of investments, establishing standards for expropriation and compensation for expropriation consistent with U.S. legal principles, establishing standards on fair and equitable treatment consistent with U.S. legal principles, and providing meaningful procedures for resolving disputes, including improved mechanisms for resolving disputes between an investor and a government that ensure the fullest measure of transparency.

(5) *Intellectual Property*: Subparagraph 2(b)(5) sets out the principal negotiating objectives with respect to intellectual property, which include directives by Congress to further promote adequate and effective protection for intellectual property rights through ensuring full implementation of the WTO Agreement on Trade-Related Aspects of Intellectual Property (TRIPS) and ensuring that provisions of any trade agreement governing intellectual property rights reflect a standard of protection similar to that found in U.S. law; providing strong protection for new technologies and methods of transmitting and distributing intellectual property, including in a manner that facilitates legitimate digital trade; eliminating discrimination regarding intellectual property rights; ensuring that rights holders have the legal and technological means to control the use of their works through the Internet and prevent the unauthorized use of their works; providing strong enforcement of intellectual property rights; and preventing or eliminating government involvement in the violation of intellectual property rights, including through cybertheft and piracy. The principal negotiating objectives also include securing fair, equitable, and nondiscriminatory market access opportunities for U.S. persons that rely upon intellectual property protection, as well as respecting the 2001 Declaration on the TRIPS Agreement and Public Health and ensuring that trade agreements foster innovation and promote access to medicines.

(6) *Digital Trade in Goods and Services and Cross-Border Data Flows*: Subparagraph 2(b)(6) sets out the principal negotiating objectives for digital trade in goods and services and cross-border data flows, including the directive of Congress to ensure that all trade commitments apply to digital trade and cross-border data flows; to ensure that electronically delivered goods and services are treated no less favorably than products delivered in physical form and classified so as to ensure the most liberal trade treatment possible; and to ensure that governments do not impede digital trade, restrict cross-border data flows, or require local storage or processing of data, and to ensure that domestic regulations required by legitimate policy objectives are the least restrictive on trade, non-discriminatory and transparent, and promote an open market environment. The provision also directs that the World Trade Organization moratorium on duties on electronic transmissions be extended.

(7) *Regulatory Practices*: The principal negotiating objectives with regard to regulatory or other practices of foreign governments used to reduce market access for U.S. goods, services, and investments, set out in subparagraph 2(b)(7), are: to achieve increased transparency and opportunity for participation in the development of regulations; to require proposed regulations be based on sound science, cost benefit analysis, risk assessment, or other objective evidence; to improve regulatory practices and promote increased regulatory coherence; to seek greater openness, transparency, and convergence of standards-development processes; to promote regulatory compatibility through harmonization, equivalence, or mutual recognition and to

encourage the use of global and interoperable standards; to achieve the elimination of government measures such as price controls and reference pricing which deny full market access for United States products; to ensure that government regulatory reimbursement regimes are transparent, provide procedural fairness, are non-discriminatory, and provide full market access for U.S. products; to ensure that government collection of undisclosed proprietary information is limited to that necessary to satisfy a legitimate and justifiable regulatory interest and that such information is protected against disclosure.

(8) *State-Owned and State-Controlled Enterprises*: Subparagraph 2(b)(8) sets out the principal negotiating objective regarding state-owned enterprises, which is to seek commitments that eliminate or prevent trade distortions and unfair competition favoring state-owned enterprises to the extent of their engagement in commercial activity and ensure that such engagement is based solely on commercial considerations.

(9) *Localization Barriers to Trade*: The principal negotiating objective regarding localization barriers to trade, set out in subparagraph 2(b)(9), is to eliminate and prevent measures that require U.S. producers and service providers to locate facilities, intellectual property, or other assets in a country as a market access or investment condition, including indigenous innovation measures.

(10) *Labor and the Environment*: The principal negotiating objectives with respect to labor and the environment, set forth in subparagraph 2(b)(10), include ensuring that a party to a trade agreement with the United States adopts and maintains measures implementing internationally recognized core labor standards and its obligations under common multilateral environmental agreements; does not waive or derogate from its statutes or regulations implementing internationally recognized core labor standards, in a manner affecting trade or investment between the United States and that party, where waiver or derogation would be inconsistent with one or more such standards; does not waive or derogate from its environmental laws in a manner that weakens or reduces the protections afforded in those laws and in a manner affecting trade or investment between the United States and that party, except as provided in its laws and provided not inconsistent with its obligations under common multilateral environmental agreements; and does not fail to effectively enforce its environmental or labor laws through a sustained or recurring course of action or inaction, in a manner affecting trade or investment between the United States and that party. The principal negotiating objectives also include: recognizing that with respect to the environment, parties retain the right to exercise prosecutorial discretion and to make decisions regarding the allocation of enforcement resources with respect to other environmental laws determined to have higher priorities; recognizing with respect to labor, distribution of enforcement resources are not a reason for not complying with a party's labor obligations; strengthening the capacity of U.S. trading partners to promote respect for core labor standards and protect the environment through the promotion of sustainable development; reducing or eliminating government practices or policies that unduly threaten sustainable development; seeking improved market access for U.S. environmental technologies, goods, and services; ensuring that labor, environmental, health, or safety policies and practices of the parties to trade agreements with the United States do not arbitrarily or unjustifiably discriminate against U.S. exports or serve as disguised barriers to trade; ensuring that enforceable labor and environmental obligations are subject to the same dispute settlement and remedies as other

enforceable obligations; and ensuring that a trade agreement is not construed to empower a party's authorities to undertake labor or environmental law enforcement activities in the territory of the United States.

(11) *Currency*: The principal negotiating objective regarding currency practices, set out in subparagraph 2(b)(11), is that parties to a trade agreement with the United States avoid manipulating exchange rates in order to prevent effective balance of payments adjustment or to gain an unfair competitive advantage over other parties to the agreement, such as through cooperative mechanisms, enforceable rules, reporting, monitoring, transparency, or other means, as appropriate.

(12) *WTO and Multilateral Trade Agreements*: The principal negotiating objectives regarding the World Trade Organization, set out in subparagraph 2(b)(12), are to achieve full implementation and extend the coverage of WTO multilateral and plurilateral agreements, including expansion and enhancement of the Information Technology Agreement, the Government Procurement Agreement, and other WTO plurilateral agreements; to expand competitive market opportunities for U.S. exports and to obtain fairer and more open conditions of trade, including through utilization of global value chains through new agreements, including an agreement on trade facilitation; to ensure that regional trade agreements comply with WTO disciplines; to enhance WTO Members' compliance through active participation in the bodies of the WTO; and to encourage greater cooperation between the WTO and other international organizations.

(13) *Trade Institution Transparency*: The principal negotiating objective with respect to trade institution transparency, set forth in subparagraph 2(b)(13), is to seek improved transparency in the WTO, in institutions established through other trade agreements, and in other international trade fora.

(14) *Anti-Corruption*: The principal negotiating objectives with respect to anti-corruption, set forth in subparagraph 2(b)(14), are to obtain high standards and effective domestic enforcement mechanisms that prohibit attempts to use money or other things of value to influence acts, decisions, or omissions of foreign governments; to level the playing field for U.S. persons in trade and investment; and to seek commitments to support anti-corruption and anti-bribery initiatives in international fora.

(15) *Dispute Settlement and Enforcement*: The principal negotiating objectives with respect to dispute settlement, set forth in subparagraph 2(b)(15), include seeking provisions that provide for resolution of disputes in an effective, transparent, and equitable manner, with the goal of increasing compliance with agreements; and seeking adherence by WTO panels and the Appellate Body to their respective mandates to apply the WTO Agreement as written, without adding to or diminishing rights and obligations, as well as to the applicable standard of review.

(16) *Trade Remedy Laws*: The principal negotiating objective with respect to trade remedies, set forth in subparagraph 2(b)(16), is to preserve the ability to enforce rigorously U.S. trade laws, including antidumping, countervailing duty, and safeguard laws; to avoid agreements that lessen the effectiveness of unfair trade disciplines or safeguards provisions to ensure that

U.S. workers, agricultural producers, and firms can compete fully on fair terms and enjoy the benefits of reciprocal trade concessions; and to address and remedy market distortions that lead to dumping and subsidization.

(17) *Border Taxes*: The principal negotiating objective regarding border taxes, set forth in subparagraph 2(b)(17), is to obtain a revision of the WTO rules with respect to the treatment of border adjustments for internal taxes to redress the disadvantage to countries relying primarily on direct taxes for revenue rather than indirect taxes.

(18) *Textile Negotiations*: The principal negotiating objectives with respect to trade in textiles and apparel, set forth in subparagraph 2(b)(18), are to obtain opportunities for U.S. exports of textiles and apparel in foreign markets substantially equivalent to the competitive opportunities afforded foreign exports in U.S. markets and to achieve fairer and more open conditions of trade in textiles and apparel.

**Section 2(c)** sets out other priorities, including provisions to strengthen the capacity of U.S. trading partners to carry out obligations under trade agreements; to provide technical assistance if needed; to establish consultative mechanisms to develop and implement standards for the protection of the environment and human health based on sound science; to promote consideration of multilateral environmental agreements and to consult regarding the consistency of any trade measures of such agreements with WTO obligations; and an annual report on capacity-building activities undertaken in connection with trade negotiations and trade agreements.

### **SECTION 3: TRADE AGREEMENTS AUTHORITY.**

**Subsection 3(a)** provides trade agreements authority for agreements regarding tariff barriers. This subsection permits the President, subject to Congressional notification requirements and certain limitations, to enter into trade agreements with foreign countries to modify duties or other import restrictions that unduly burden U.S. trade before July 1, 2018 (or July 1, 2021 if trade authorities procedures are extended), and to proclaim changes to duties the President determines to be required or appropriate to carry out any such trade agreement. After those dates, substantial modifications or additions to the trade agreement are not eligible for approval under this subsection. This proclamation authority does not apply to an agreement that reduces any rate of duty that is more than 5 percent at the date of enactment of the Act by more than 50 percent, reduces the rate of duty on import sensitive agricultural products to a rate of duty below that applicable under the Uruguay Round Agreements or a successor agreement, or increases any rate of duty above the rate that applied at the date of enactment of the Act.

**Subsection 3(b)** provides trade agreements authority for agreements regarding tariff and nontariff barriers. The subsection authorizes the President to engage in trade negotiations, subject to Congressional consultations requirements, to address tariff and non-tariff barriers. An agreement may be entered into under this subsection only if it makes progress in meeting the negotiating objectives of section 2 and the President satisfies the conditions set forth in sections 4 and 5. The subsection applies only to agreements entered into before July 1, 2018 (or before

July 1, 2021, if Congress extends the trade agreements authority). After those dates, substantial modifications or additions to the trade agreement are not eligible for approval under this subsection. The subsection provides that a bill implementing a trade agreement entered into under this subsection qualifies for the trade authorities procedure set out in section 151 of the Trade Act of 1974 if the bill consists of a provision approving the trade agreement and only such provisions as are strictly necessary or appropriate to implement the trade agreement.

**Subsection 3(c)** establishes the process for the extension of trade authority procedures by the President, if requested, and for the consideration of a disapproval resolution by Congress to disallow such extension. The Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 and the International Trade Commission are also directed to submit reports on the extension request to Congress.

**Subsection 3(d)** directs the President to pursue negotiations covering tariff and nontariff barriers affecting any industry, product, or service sector, and to expand existing sectoral agreements, when doing so is feasible and timely and would benefit the United States. It also directs the President in so doing to take into account all Congressional negotiating objectives.

#### **SECTION 4: CONGRESSIONAL OVERSIGHT, CONSULTATIONS, AND ACCESS TO INFORMATION.**

**Subsection 4(a)** provides detailed requirements for the Administration's consultations with Congress. It specifies that in the course of negotiations, the United States Trade Representative (USTR) shall: meet upon request with any Member of Congress; provide access to pertinent documents, including classified materials; engage in close and timely consultation with the Senate Finance Committee and the House Ways and Means Committee; engage in close and timely consultation with the House and Senate Advisory Groups on Negotiations and with all committees of the House and the Senate with jurisdiction over laws that could be affected by a trade agreement; and engage in close and timely consultations with the House and Senate Committees on Agriculture concerning negotiations and agreements relating to agricultural trade. The subsection further provides that, prior to entry into force of a trade agreement, USTR must keep Congress apprised of measures a trading partner has taken to comply with provisions that will take effect on the date the agreement enters into force.

This subsection also requires USTR, in consultation with the Chairs and Ranking Members of the Senate Finance Committee and the House Ways and Means Committee, to develop within 120 days of enactment written guidelines on enhanced coordination with Congress. The guidelines are to ensure timely briefings with any Member of Congress and the sharing of information, including documents and classified information, with Members of Congress, and their staff with proper security clearances as appropriate, as well as cleared Committee staff as appropriate in light of Committee responsibilities. The guidelines are to be disseminated to all departments and agencies with jurisdiction over laws that could be affected by the trade negotiations.

**Subsection 4(b)** provides procedures for designating individual Members as Congressional Advisers on Trade Policy and Negotiations and for consultations with those Members. Any

Member of Congress may be designated as such a Congressional Adviser. In the course of trade negotiations, USTR must consult closely and on a timely basis with these congressional advisers. The advisers must be accredited by USTR as official advisers to trade delegations.

**Subsection 4(c)** establishes the House and Senate Advisory Groups on Negotiations, and sets forth membership requirements for each, including designation of the Chair and Ranking Member of any Committee that would have jurisdiction over provisions of law affected by a trade agreement. The subsection also outlines requirements for USTR to consult with and seek advice from the Advisory Groups and provides mechanisms for coordination with Members of Congress not on the Advisory Groups. Advisory Group Members must be accredited by USTR as official advisers to trade delegations. USTR, together with the Chairs and Ranking Members of the Senate Finance Committee and the House Ways and Means Committee, must develop written guidelines for the closest practicable coordination with the Advisory Groups, including detailed briefings on a fixed timetable. After a trade agreement is concluded, the subsection requires ongoing consultation regarding compliance with the agreement.

**Subsection 4(d)** establishes procedures for consultations with the public. USTR, together with the Chairs and Ranking Members of the Senate Finance Committee and the House Ways and Means Committee, is required to develop written guidelines for public access to information regarding trade negotiations in order to facilitate transparency, encourage public participation, and promote collaboration in the negotiation process, including through rapid disclosure of information in forms that the public can readily find and use and through frequent opportunities for public input through the Federal Register and other means. The guidelines are to be disseminated to all departments and agencies with jurisdiction over laws that could be affected by the trade negotiations.

**Subsection 4(e)** addresses consultations with the Trade Advisory Committees created by the Trade Act of 1974. USTR, together with the Chairs and Ranking Members of the Senate Finance Committee and the House Ways and Means Committee, are required to develop written guidelines to enhance coordination with the Advisory Committees in order to provide timely briefings and opportunities for input on matters regarding sectors and functional areas the Committees represent. The subsection requires that the guidelines also set out procedures for the sharing of detailed and timely information and documents, including classified materials, to each member of an Advisory Committee and designee with proper security clearances, as appropriate. The guidelines are to be disseminated to all relevant departments and agencies with jurisdiction over laws that could be affected by the trade negotiations.

**Subsection 4(f)** establishes a Chief Transparency Officer at USTR, responsible for consulting with Congress on transparency policy, coordinating transparency in trade negotiations, engaging and assisting the public, and advising the USTR on transparency policy.

## **SECTION 5: NOTICE, CONSULTATIONS, AND REPORTS.**

**Subsection 5(a)** specifies the notice, consultations, and reports that Congress must receive before the President initiates trade negotiations. Section 5(a)(1) provides that prior to entering

into trade negotiations, the President must provide Congress 90 days' written notice and consult with the Senate Finance Committee, the House Ways and Means Committee, other appropriate Committees of the House and Senate, and the House and Senate Advisory Groups on Negotiations. The President must, on the USTR website, publish and regularly update a detailed and comprehensive summary of the objectives for the trade negotiations, as well as publish a description of how the trade agreement would further those objectives and benefit the United States.

Subsection 5(a)(2) pertains to negotiations that concern agriculture, and states that the President must conduct an assessment of all relevant tariffs and consult with the Agriculture Committees of the House and Senate. Additional consultations and reporting requirements apply with respect to import sensitive products, fish or shellfish trade, and textiles and apparel. Subparagraph 5(a)(6) requires the President, in determining whether to enter into negotiations with a particular country, to take into account the extent to which that country has implemented its trade and investment commitments to the United States.

**Subsection 5(b)** requires the President, before entering into any trade agreement under subsection 3(b), to consult with the Senate Finance Committee, the House Ways and Means Committee, other relevant congressional Committees, and the House and Senate Advisory Groups on Negotiations. The consultations are to address the nature of the agreement, the extent to which it meets the objectives of the Act, and the implementation of the agreement, including its general effect on existing laws. At least 180 days before entering into a trade agreement, the President is also required to report on the effect of the agreement on U.S. trade remedy laws. This subsection further describes the procedures by which the House or Senate may consider a resolution finding that proposed changes to trade remedy laws are inconsistent with the negotiating objectives concerning trade remedies. This section also requires submission of Advisory Committee reports within 30 days of the President's notification to Congress of his intention to enter into a trade agreement.

**Subsection 5(c)** requires that the President, within 90 days before entering into an agreement, provide the International Trade Commission (ITC) with details of the agreement and that, not later than 105 days after the President enters into the agreement, the ITC submit a report to the President and Congress assessing the likely impact of the agreement on the U.S. economy. This report shall be made public.

**Subsection 5(d)** specifies that at the time the President submits to Congress the final text of an agreement, the President shall submit to the Senate Finance Committee and the House Ways and Means Committee: a report on an environmental review of the agreement conducted by the President, including an assessment of the operation of consultative mechanisms aimed at capacity building; a report regarding the impact of the trade agreement on U.S. employment; and a meaningful labor rights report with respect to the countries included in the agreement, along with a description of any provisions that would require changes to U.S. labor law and practice. These reports shall be made public.

**Subsection 5(e)** specifies that at the time the President submits to Congress the final text of an agreement, the President shall also submit an implementation and enforcement plan that assesses

border personnel requirements, agency staffing requirements, customs infrastructure requirements, and the impact of the agreement on state and local governments. This assessment shall be made public. The President's next budget submission must include a request for the resources necessary to support the plan.

**Subsection 5(f)** requires the submission of additional reports concerning: the effectiveness of penalties and remedies applied by the United States to enforce its rights under a trade agreement; the economic impact of all trade agreements enacted under trade authorities procedures since 1984, and to update that report within five years; and enforcement actions taken pursuant to a trade agreement. These reports shall be made public. This section also requires USTR to consult with the Senate Finance Committee and the House Ways and Means Committee after acceptance of a petition for review or taking an enforcement action in regard to an obligation under a trade agreement.

**Subsection 5(g)** sets forth that any Member of the House or Senate may submit his or her views on any matter relevant to a proposed trade agreement to the Senate Finance Committee or the House Ways and Means Committee, and the relevant Committee is to receive those views for consideration.

## **SECTION 6: IMPLEMENTATION OF TRADE AGREEMENTS.**

**Subsection 6(a)** specifies that at least 90 days before entering into a trade agreement, the President must notify Congress of the President's intent to enter into that agreement and publish a notice in the Federal Register. At least 60 days before entering into the agreement, the President must publish the text of the agreement on the USTR website. Within 60 days after entering into the agreement, the President must submit a description of changes to existing laws that would be required by the agreement. At least 30 days before formally submitting the trade agreement to Congress, the President must provide to Congress a copy of the final legal text of the agreement and a draft statement of administrative action proposed to implement the agreement.

On a day on which both Houses of Congress are in session, the President must submit the final text of the agreement, a draft implementing bill, a statement of administrative action, and certain supporting information. The required supporting information consists of an explanation of how the bill and statement of administrative action will change or affect existing law, a statement asserting that the agreement makes progress in achieving the objectives of this Act and setting forth the reasons it does so, whether and how the agreement changes provisions of an agreement previously negotiated, how the agreement serves the interests of U.S. commerce, and how the implementing bill meets the requirements set out in subsection 3(b)(3). The supporting information shall be made public.

The subsection also requires that implementing bills include a provision on reciprocal benefits to ensure that foreign countries not party to the agreement do not receive benefits under the agreement unless they are subject to the agreement's obligations, by providing that the benefits and obligations of the agreement apply only to the parties, if such application is consistent with

the agreement. It further provides that any agreement with a foreign government that is not disclosed before the introduction of an implementing bill shall not be considered part of the agreement and will have no force in U.S. law or in any dispute settlement body.

**Subsection 6(b)** sets forth the processes and procedures for disapproval of the use of trade authorities procedures if the President has failed or refused to notify or consult in accordance with this Act. Subsection 6(b)(1) contains the procedural disapproval resolution process by which both chambers of Congress, acting jointly, may withdraw trade authorities procedures on an expedited basis. Subsections 6(b)(3) and (4) set forth the consultation and compliance resolution processes by which each chamber of Congress may unilaterally withdraw trade authorities procedures for that chamber.

Subsection 6(b)(1)(B)(ii) states that the President has failed or refused to notify or consult if: the agreement fails to make progress in achieving the purposes, policies, priorities, and objectives of this Act; the President failed to consult in accordance with sections 4, 5, or 6; the President has not met with the House and Senate Advisory Groups on Negotiations; or the consultation and transparency guidelines required by section 4 have not been developed. In addition, the subsection provides that trade authorities procedures shall not apply to any implementing bill for an agreement negotiated under the auspices of the WTO if the President has not issued a report setting forth a strategy to address Congressional concerns regarding WTO dispute settlement panels and the Appellate Body by December 15, 2015.

**Subsection 6(c)** reaffirms that Congressional procedures under this Act are established as an exercise of the rulemaking power of the House of Representatives and the Senate and recognizes the constitutional right of either House to change the rules at any time, in the same manner, and to the same extent as any other rule of that House.

## **SECTION 7: TREATMENT OF CERTAIN TRADE AGREEMENTS FOR WHICH NEGOTIATIONS HAVE ALREADY BEGUN.**

**Subsection 7(a)** concerns the applicability of trade authorities procedures to implementing bills for certain trade negotiations commenced prior to enactment of this Act, including negotiations under the auspices of the WTO, the Trans-Pacific Partnership, trade negotiations with the European Union, negotiations with respect to trade in services, and negotiations with respect to environmental goods.

**Subsection 7(b)** sets forth special notification and consultation procedures with respect to the negotiations identified in subsection 7(a), and allows an exception only to the initial 90-day notification prior to initiation of negotiations provided those specific procedures are followed.

## **SECTION 8: SOVEREIGNTY.**

This section stipulates that the application of any provision of a trade agreement entered into under subsection 3(b) that is inconsistent with U.S. law shall have no effect; that no provision of a trade agreement entered into under subsection 3(b) shall prevent the United States from amending or modifying its laws; and that reports issued by dispute settlement panels convened under trade agreements entered into under subsection 3(b) shall have no binding effect under U.S. law.

#### **SECTION 9: INTERESTS OF SMALL BUSINESS.**

This section expresses the sense of Congress that USTR should facilitate participation by small businesses in the trade negotiation process; that the functions of the USTR official relating to small business should be reflected in the title of that official; and that Assistant USTR for Small Business, Market Access, and Industrial Competitiveness shall be responsible for ensuring that the interests of small businesses are considered in all trade negotiations.

#### **SECTION 10: CONFORMING AMENDMENTS.**

This section sets forth conforming amendments.

#### **SECTION 11: DEFINITIONS.**

This section defines key terms in the Act.