

## ***More Than 100 House Members Endorse Reform Bill Charting New Direction on Trade***

More than 100 members of Congress have signed on to a wide-ranging bill aimed at reforming U.S. trade policy, Rep. Mike Michaud (D-Maine), chairman of the House Trade Working Group, announced June 24.

The cosponsors to the bill introduced by Michaud include nine committee chairs, 45 subcommittee chairs, and members of the classes of 2006 and 2008. The cosponsors include members of the Democratic Caucus, Republican Caucus, 17 “Blue Dog” Democrats, 14 New Democrats, the Hispanic Caucus, the Black Caucus, the Progressive Caucus, and the Populist Caucus, according to a press release.

The Trade Reform, Accountability, Development and Employment (TRADE) Act would mandate trade pact reviews, establish standards, protect workers in developing nations, and help restore congressional oversight of future trade agreements.

A House aide told BNA that the two GOP members who have endorsed the bill are Reps. Chris Smith (R-N.J.) and Walter Jones (R-N.C.).

“Last year, we had 74 co-sponsors of the TRADE Act and this year we have 106,” Michaud said. “Members are sick and tired of being against trade agreements and they want to stand for something. I have no doubt the number of co-sponsors have increased because the American people are demanding a new course on trade.”

### **Review of Trade Pacts**

Under the measure, the Government Accountability Office (GAO) would conduct a comprehensive review of the major trade pacts that comprise the model on which U.S. trade agreement have been based. The review would have to be completed before new trade negotiations or congressional consideration of pending pacts could move forward. GAO would also report on how the current pacts measure up to the bill's criteria with respect to what must and must not be included in trade pacts, according to a summary of the legislation.

The bill describes key provisions that must be included in all future U.S. trade agreements as well as aspects of the current trade model that must never again be replicated, such as bans on Buy American provisions and new rights and privileges for foreign investors.

Under the bill, the president would submit a plan to address through renegotiation gaps identified between current major U.S. trade pacts and the criteria spelled out in the bill for what must and must not be included in U.S. trade agreements. The bill would establish a special congressional committee chaired by the House Ways and Means Committee and Senate Finance Committee chairs to help the president formulate this plan.

### **TPA Would be Replaced**

The bill also lays out criteria for a new mechanism to replace the Trade Promotion Authority negotiating process. Under TPA, which has expired, legislation implementing trade agreements may not be amended once it is formally introduced.

Three free trade agreements negotiated by the Bush administration—with Panama, Colombia, and South Korea—are currently pending in the 111th Congress. All three pacts have been updated to reflect a May 2007 compromise between the Bush White House and congressional Democrats on labor and environmental concerns.

Critics of the pacts argue that they rely on a trade model that has led to the outsourcing of U.S. jobs. Supporters, however, claim that they would create U.S. jobs by expanding U.S. exports of agricultural and manufactured goods.

The Obama administration has signaled that it expects the Panama FTA to be the first of the pacts to move through Congress. The timing remains uncertain as the administration struggles to gain traction on health care reform before moving to the trade agenda.

Bill Holland, deputy director Public Citizen's Global Trade Watch, told BNA June 24 that the strong support for the legislation signals that the new Congress wants to chart a new course on trade.

*By Rossella Brevetti*