

Administration Drafts TPP Implementing Bill In Preparation Of Potential Lame-Duck Vote

U.S. Trade Representative Michael Froman today (June 20) said the Obama administration is drafting the implementing bill and other reports required for a potential lame-duck vote on the Trans-Pacific Partnership under the fast-track law. He said the lame duck represents the earliest window of opportunity given Senate Majority Leader Mitch McConnell's (R-KY) opposition of a vote before the election.

"We're working with congressional leaders and with the leaders of the Finance Committee and the Ways & Means Committee to chart that pathway forward, laying the groundwork, doing the preparatory work, drafting the bills, drafting the reports that need to get done so that when that window of opportunity opens, we'll be ready to walk through it," he said. "That's what the work over the next few months is going to take."

According to the fast-track law, the president [must submit to Congress](#) a copy of the final legal text of the agreement; a draft statement of administrative action (SAA) proposed to implement the agreement; and a plan for implementing and enforcing the agreement thirty days prior to formal submission of the draft TPP implementing bill to Congress.

At the same time, he must also submit to the House Ways & Means and Senate Finance committees three reports that spell out how the deal will impact U.S. employment, labor rights in the U.S. and FTA partners, and the environment. USTR has said earlier this year that these reports will promptly be made available to the public "to the maximum extent possible."

On the timing of the vote, McConnell "has made clear publicly that he doesn't want to see a vote before the election, so that really means, from the Senate perspective anyway, in the lame-duck period," Froman said. "But to even do this in the lame duck, you want to do as much of the preparatory work as possible under Trade Promotion Authority beforehand, and that's what we're working on now."

Froman spoke to the Council on Foreign Relations in New York City about the future of the TPP and the importance of U.S. engagement in defining trade rules in the Asia-Pacific region. He is the first administration official to acknowledge that the administration is working on the implementing bill, when other officials both publicly and behind closed doors have sidestepped this issue.

Froman highlighted that there is "a certain urgency" to get TPP done this year because the speaker of the House, the Senate majority leader and the president are all pro-trade but warned "that all could be different a year from now."

He noted that President Obama is "fully invested" in pushing for a TPP vote this year. "We have a whole White House, whole cabinet effort underway with hundreds of events around the country by cabinet and sub-cabinet officials," he said.

Obama's level of engagement was apparent when he reached out to Senate Finance Committee Chairman Orrin Hatch (R-UT) [last week to discuss](#) the outstanding issue of market exclusivity for biologic drugs. Hatch and Obama on June 15, however, were not able to reach an agreement on the provision that would satisfy Hatch's demands of 12 years of market exclusivity. But the exchange was proof that Obama sought to address Hatch's complaints rather than have his trade officials try to go around him.

Froman said the administration "bit by bit" has been able to address issues that were flagged by Congress after the TPP deal was concluded last year. He reiterated [his comments](#) from last week that market exclusivity for biologics is the "main outstanding issue right now."

Froman said USTR is working with Congress and stakeholders to find solutions that do not require reopening or renegotiating the agreement. Renegotiation on one issue, Froman warned, will lead to "unraveling across several other issues." But he held open the possibility of gaining additional commitments through implementation plans.

"That doesn't mean that in the process of implementation -- and we have a robust process of making sure countries are meeting their obligations, we're working with Congress on that -- that there aren't things that we can do to give reassurance that we are addressing the issues with the countries and with Congress. But I think opening up the Pandora's box of renegotiation I think will ultimately lead to it unraveling itself."

He said TPP has "broad support across the economy" and mentioned the pork and dairy industry groups, which have previously taken issue with the market access granted in TPP, are "now fully supportive." On the financial services fix, Froman said that the administration and stakeholders are "quite close to reaching a solution." The administration plans to present the legal text of the fix to cleared industry advisory groups next week.