To require a review of existing trade agreements and renegotiation of existing trade agreements based on the review, to set terms for future trade agreements, to express the sense of the House of Representatives that the role of Congress in trade policymaking should be strengthened, and for other purposes.

A BILL

To require a review of existing trade agreements and renegotiation of existing trade agreements based on the review, to set terms for future trade agreements, to express the sense of the House of Representatives that the role of Congress in trade policymaking should be strengthened, and for other purposes.
Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Trade Reform, Accountability, Development, and Employment Act of 2008” or the “TRADE Act of 2008”.

SEC. 2. DEFINITIONS.

In this Act:

(1) **CORE LABOR STANDARDS.**—The term “core labor standards” means the core labor rights as stated in the International Labour Organization conventions dealing with—

   (A) freedom of association and the effective recognition of the right to collective bargaining;

   (B) the elimination of all forms of forced or compulsory labor;

   (C) the effective abolition of child labor; and

   (D) the elimination of discrimination with respect to employment and occupation.

(2) **MULTILATERAL ENVIRONMENTAL AGREEMENTS.**—The term “multilateral environmental agreements” means any international agreement or provision thereof to which the United States is a party and which is intended to protect, or has the effect of protecting, the environment or human health.

(3) **TRADE AGREEMENTS.**—
(A) IN GENERAL.—The term “trade agreement” includes the Free Trade Agreements entered into with Australia, Bahrain, Chile, Israel, Jordan, Morocco, Oman, Peru and Singapore as well as the North American Free Trade Agreement (NAFTA) and the Dominican Republic-Central America- U.S. Free Trade Agreement (CAFTA).

(B) URUGUAY ROUND AGREEMENTS.—The term “trade agreement” includes—

(i) the General Agreement on Tariffs and Trade (GATT 1994) annexed to the WTO Agreement;

(ii) the WTO Agreement described in section 2(9) of the Uruguay Round Agreements Act (19 U.S.C. 3501(9)); and

(iii) the agreements described in section 101(d) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d));

(iv) the post Uruguay Round sectoral agreements on information technology, telecommunications and financial services; and

(v) any future WTO agreements that may result from post Uruguay Round WTO negotiations.

SEC. 3. REVIEW AND REPORT ON EXISTING TRADE AGREEMENTS.

(a) In General.—Not later than June 30, [2010], and every 2 years thereafter, the Comptroller General of the United States shall conduct
a review of all trade agreements described in Section 2(3) and submit
to the Congressional Trade Agreement Review Committee established
under section 6 a report that includes the information required under
subsections (b) and (c) and makes the recommendations required
under subsection (d):

(1) This review shall relate to the effective operation of the
United States trade agreements program generally;

(2) The State Department, Department of Agriculture,
Department of Commerce, Department of Labor, Department of
the Treasury and other executive branch agencies shall cooperate
with the Comptroller General of the United States and the
Government Accountability Office in providing access to foreign
and U.S. government officials and documents to facilitate the
report required; and

(3) The Comptroller General of the United States and the
Government Accountability Office are encouraged to use the
findings of recent reports and those now being produced in
compiling the information required so as to enhance the efficiency
of the process.

(b) Information With Respect to Trade Agreements.—The report
required under subsection (a) shall, with respect to each trade
agreement described in Section 2(3), include the following
information covering the period between the date on which the
agreement entered into force and the date on which the Comptroller
General completes the review:

(1) An analysis of the economic impact of each trade
agreement, including—

(A) the dollar value in inflation-controlled terms of goods exported from the United States and imported into the United States by sector, State, and year delineated by trade partner country;

(B) job gains and losses in the United States by sector and State;

(C) median wage levels in the United States in inflation-controlled dollar terms by sector, State, and year; and

(D) an analysis of production outsourcing decisions made by U.S. companies before and after the implementation of each trade agreement and the rate of value-added production, number of employees, and competitive position of industries in the United States significantly affected by the agreement; and

(E) Income distribution in the United States showing distribution by quintile and poverty rates for the United States.

(2) A trend analysis of wage levels in inflation-controlled dollars on a year-by-year basis in

(A) countries with whom the United States has trade agreements described in Section 2(3)(A);

(B) countries who comprise the top U.S. WTO trade partners including Belgium, Brazil, China, France, Germany, Hong Kong, India, Ireland, Italy, Japan, South Korea, Malaysia, Netherlands, Taiwan, and the United Kingdom;
(C) countries with whom the United States has considered establishing Free Trade Agreements including South Africa and Thailand;

(D) countries who are party to the Caribbean Basin Initiative and the Andean Trade Preference Drug Eradication Act; and

(E) Cambodia and Vietnam.

(3) An analysis of agriculture and food-related outcomes, including—

(A) The trend of prices in the United States for agricultural commodities and food products that are imported in significant volumes into the United States from a country that is a party to the agreements described in Section 2(3) on a year-by-year basis;

(B) An analysis of the effects, if any, on price transparency, price discovery, market concentration, and fair competition in the markets for agricultural commodities and food products that are subject to significant volumes of trade between the United States and each other country that is a party to the agreements described in Section 2(3);

(C) An analysis of the effects, if any, on the cost of farm programs in the United States and each other country under the scope of Section 3(b)(5); and

(D) The number of farms operating in the United States and the number of acres under production for agricultural commodities that are exported from the United States to any
other country that is a party to the agreement on a year-by-year basis.

(4) An analysis of compliance with the terms of the relevant agreements in effect between the United States and each country listed in Section 3(b)(2) including a description of any outstanding disputes between the United States and any country that is a party to the agreements listed in Section 2(3), and the status of all laws, regulations, or policies of the United States or any State that any country that is a party to such an agreement has challenged, or threatened to challenge, under the agreements.

(5) An analysis of the adequacy of the U.S. capacity to ensure trade agreement partners’ compliance with Customs and other U.S. regulatory requirements, including as regards the agreements listed in Section 2(3): ensuring duty payment and amount of duties collected by the United States on goods imported into the United States; an analysis of the rate and adequacy of inspections of food and other products imported; and an assessment of the extent to which goods produced in a country that is a party to the agreements listed in Section 2(3) are transshipped through other countries with which the United States has a bilateral or regional agreement in effect that may result in a rate of duty on such goods that is lower than the rate of duty under the agreement.

(6) A description of any privatization of public sector services, in the United States or in any country that is a party to the agreements listed in Section 2(3), if those sectors are covered by investment, financial services, or services provisions of the agreement, including an analysis of any effect such privatization
has had on the access of consumers to essential services, such as health care, electricity, gas, water, telephone service, or other utilities.

(7) An analysis of the price of pharmaceuticals and any effect that changes in the price of pharmaceuticals has had on the access of consumers to affordable medicines in the United States or any country that is a party to the agreements listed in Section 2(3).

(8) A list of any potential concerns posed by any country that is a party to the agreements listed in Section 2(3) to the national security of the United States, including—

   (A) any potential effect on the efforts of the United States to increase the energy self-sufficiency of the United States;

   (B) any increase in narco-trafficking as a result of economic pressures on farmers in any such country to grow illegal crops; and

   (C) any increase in poverty in any such country as a result of the displacement of workers in sectors impacted by the agreement.

(9) An analysis of trends in the number of immigrants, including undocumented immigrants, entering the United States on a year-by-year basis from each country that is a party to the agreements listed in Section 2(3).

(10) An assessment of the consequences of significant currency movements and a determination of whether the currency of a country that is a party to the agreements listed in Section 2(3) is misaligned deliberately to promote a competitive advantage in
international trade for that country; and

(11) An analysis of contracts for the procurement of goods or services by Federal or State government agencies from persons operating in any country that is a party to the agreements listed in Section 2(3).

(c) Information on Countries That Are Parties to Trade Agreements.—With respect to each country with respect to which the United States has a trade agreement listed in Section 2(3) in effect, the report required under subsection (a) shall include information regarding whether that country—

(1) has a democratic form of government;

(2) respects [core] labor rights, as defined by the Committee of Experts on the Application of Conventions and Recommendations and the Conference Committee on the Application of Standards of the International Labour Organization;

(3) respects fundamental human rights, as determined by the Secretary of State in the annual country reports on human rights of the Department of State;

(4) is designated as a country of particular concern with respect to religious freedom under section 402(b)(1) of the International Religious Freedom Act of 1998 (22 U.S.C. 6442(b)(1));

(5) is on a list described in subparagraph (B) or (C) of section 110(b)(1) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7107(b)(1)) (commonly known as tier 2 or tier 3 of the Trafficking in Persons List of the Department of State);
(6) has taken effective measures to combat and prevent public and private corruption, including measures with respect to tax evasion and money laundering;

(7) complies with the multilateral environmental agreements to which the country is a party;

(8) has in force adequate labor and environmental laws and regulations, has devoted sufficient resources to implementing such laws and regulations, and has an adequate record of enforcement of such law and regulations;

(9) adequately protects intellectual property rights; and

(10) provides for governmental transparency, due process of law, and respect for international agreements.

(d) Recommendations.—Each report required under subsection (a) shall include recommendations of the Comptroller General for addressing the problems with respect to an agreement identified under subsections (b) and (c). The recommendations shall include suggestions for renegotiating the agreement to meet the requirements described in section 4(b) and for negotiations with respect to new trade agreements.

(e) Citations.—The Comptroller General shall include in the report required under subsection (a) citations to the sources of data used in preparing the report and a description of the methodologies employed in preparing the report.

(f) Public Comment.—In preparing each report required under subsection (a), the Comptroller General shall—

(1) hold at least 3 hearings that are open to the public; and
(2) provide an opportunity for members of the public to testify and submit written comments.

(g) Public Availability.—The information in each report required under subsection (a) shall be made available to the public not later than 14 days after the Comptroller General completes that report.

SEC. 4. INCLUSION OF CERTAIN PROVISIONS IN TRADE AGREEMENTS.

(a) In General.—Notwithstanding section 151 of the Trade Act of 1974 (19 U.S.C. 2191) or any other provision of law, any bill implementing a trade agreement between the United States and another country that is introduced in Congress after the date of the enactment of this Act shall not be subject to expedited consideration or special procedures regarding amendment or debate unless the trade agreement meets the requirements described in subsection (b).

(b) Requirements.—Each trade agreement negotiated between the United States and another country shall meet the following requirements:

(1) LABOR STANDARDS.—The labor provisions shall—

(A) be included in the core text of the agreement;

(B) require each country that is a party to the agreement to adopt into domestic law and enforce effectively core labor standards;

(C) provide that failures to meet the labor standards required by the agreement shall be subject to dispute
resolution and enforcement mechanisms and penalties that
are at least as effective as the mechanisms and penalties that
apply to the commercial provisions of the agreement;

(D) strengthen the capacity of each country that is a party
to the agreement to promote and enforce core labor
standards; and

(E)(i) establish a commission composed of—

(I) 11 representatives specializing in international and
comparative labor rights of which five shall be
representatives of independent labor unions of countries
who are parties to the agreement and two shall be
academic researchers; and

(ii) provide the commission with sufficient resources and
staff to rigorously and continuously carry out its functions;

(iii) vest the commission with authority to establish
specific indicators of compliance with the obligations set
forth in subparagraphs (B), (C), and (D);

(iv) vest the commission with authority to operate with the
rights of a Party in the agreement’s dispute resolution
system—

(I) initiate complaints in an agreement’s dispute
settlement system under expedited procedures included
in Section 4(11) with respect to violations of the
obligations set forth in subparagraphs (B), (C), and (D)
thus ensuring that labor standards violations are subject
to dispute resolution and enforcement mechanisms and
penalties that are at least as effective as the mechanisms
and penalties that apply to the commercial provisions of
the agreement;

(II) conduct investigations and hearings on such
complaints which shall be considered by the agreement’s
disputes settlement tribunal on equal standing with
submissions of the involved country or countries;

(III) select the two panelists with labor rights expertise
one of whom shall be selected by the union members of
the commission who shall serve on the three-person
dispute resolution tribunal hearing any case initiated by
the commission under subparagraph (I);

(IV) review and comment on the dispute resolution
panel’s preliminary ruling with transmission of the
preliminary ruling to the commission to occur
simultaneously with transmission of the preliminary
ruling to the country or countries involved.

(V) be treated with the status of a Party to the dispute
throughout all subsequent procedures of appeal,
enforcement action or sanction arbitration so as to
ensure a country’s compliance with the obligations set
forth in subparagraphs (B), (C), and (D) or the imposition
of penalties of sufficient magnitude to ensure full and
immediate compliance with the obligations set forth in
subparagraphs (B), (C), and (D) and as appropriate
incremental reductions in trade penalties as benchmarks
are achieved; and
1. Any subsequent appeal or sanction arbitration panel shall be comprised with minimally two panelists with labor rights expertise.

(v) vest the commission with authority to set benchmarks for increasing compliance with such obligations;

(vi) verify that benchmarks have in fact been achieved; and

(F) require any country that is a party to the agreement to—

(i) cooperate fully with investigations by the commission required under subparagraph (E);

(ii) ensure full access by the commission to workplaces and government agencies responsible for enforcement of labor rights and standards;

(iii) ensure that commission personnel are able to conduct confidential interviews with workers, managers, and government officials;

(iv) ensure full access by the commission to relevant documents of employers and government agencies; and

(v) ensure that workers who seek to enforce obligations described in this paragraph are protected against reprisal by employers.

(2) ENVIRONMENTAL AND PUBLIC SAFETY STANDARDS.—The environmental provisions shall—
(A) be included in the text of the agreement;

(B) prohibit each country that is a party to the agreement from weakening, eliminating, or failing to enforce domestic environmental or other public interest standards to promote trade or attract investment;

(C) require each such country to implement and enforce fully and effectively, including through domestic law, the country’s obligations under multilateral environmental agreements and provide for the enforcement of such obligations under the agreement; and

(D) prohibit the trade of products that are illegally harvested or extracted and the trade of goods derived from illegally harvested or extracted natural resources, including timber and timber products, fish, wildlife, and associated products, mineral resources, or other environmentally sensitive goods;

(E) provide that the failure to meet the environmental standards required by the agreement be subject to dispute resolution and enforcement mechanisms and penalties that are at least as effective as the mechanisms and penalties that apply to the commercial provisions of the agreement; and

(F) allow each country that is a party to the agreement to adopt and implement environmental, health, and safety standards, recognizing the legitimate right of governments to protect the environment and public health and safety.

(3) **FOOD AND PRODUCT HEALTH AND SAFETY STANDARDS.**—If
the agreement contains health and safety standards for food and
other products, the agreement shall—

(A) establish that food, feed, food ingredients, and other
related food products may be imported into the United States
from a country that is a party to the agreement only if such
products meet or exceed United States standards with respect
to food safety, pesticides, inspections, packaging, and
labeling;

(B) establish that nonfood products may be imported into
the United States from a country that is a party to the
agreement only if such products meet or exceed United
States standards with respect to health and safety,
inspections, packaging, and labeling;

(C) allow each country that is a party to the agreement to
impose standards designed to protect public health and safety
unless it can be clearly demonstrated that such standards do
not protect the public health or safety;

(D) authorize the Commissioner of the Food and Drug
Administration and the Consumer Product Safety
Commission to assess the regulatory system of each country
that is a party to the agreement to determine whether the
system provides the same or better protection of health and
safety for food and other products as provided under the
regulatory system of the United States;

(E) if the Commissioner or the Commission determines
that the regulatory system of such a country does not provide
the same or better protection of health and safety for food and other products as provided under the regulatory system of the United States, prohibit the importation into the United States of food and other products from that country;

(F) provide a process by which producers from countries whose standards are not found by the Commissioner or the Commission to meet U.S. standards may have specific facilities inspected and certified so as to allow products from approved facilities to be imported into the United States;

(G) if harmonization of food or product health or safety standards is necessary to facilitate trade, such harmonization shall be based on standards that are no less stringent than United States standards; and

(H) establish mandatory end-use labeling of imports of milk protein concentrates.

(4) SERVICES PROVISIONS.—If the agreement contains provisions related to the provision of services, such provisions shall—

(A) preserve the right of Federal, State, and local governments to maintain essential public services and to regulate, for the benefit of the public, services provided to consumers in the United States;

(B)(i) require each country that is a party to the agreement to establish a positive list of each service sector that will be subject to the obligations of the country under the agreement; and
(ii) apply the agreement only to the service sectors that are
on the list described in clause (i);

(C) establish a general exception to market access
obligations that allows a country that is a party to the
agreement to maintain or establish a ban on services the
country considers harmful, if the ban is applied to domestic
and foreign services and service providers alike;

(D) require service providers in any country that is a party
to the agreement that provide services to consumers in the
United States to comply with United States environmental,
land use, safety, privacy, transparency, professional
qualification, and consumer access laws and regulations;

(E) require that services provided to consumers in the
United States, such as medical and financial services, that are
subject to privacy laws and regulations in the United States
may only be provided by service providers in other countries
that provide privacy protections and protections for
confidential information that are equal to or exceed the
protections provided by United States privacy laws and
regulations;

(F) not require the privatization of public services in any
country that is a party to the agreement or the deregulation of
a service, including services related to national security,
social security, health, public safety, education, water,
sanitation, other utilities, ports, or transportation;

(G) not subject local governments to the service sector
obligations under the agreement; and

(H) not include provisions with respect to immigration or
the movement of natural persons.

(5) INVESTMENT PROVISIONS.—If the agreement contains
provisions related to investment, such provisions shall—

(A) preserve the ability of each country that is a party to
the agreement to regulate foreign investment in a manner
consistent with the needs and priorities of the country;

(B) allow each such country to place prudential restrictions
on speculative capital to reduce global financial instability
and trade volatility;

(C) not be subject to an investor-state dispute settlement
mechanism under the agreement;

(D) ensure that foreign investors operating in the United
States have rights no greater than the rights provided to
domestic investors by the Constitution of the United States;

(E) provide for government-to-government dispute
resolution relating to a government action that destroys all
value of the real property of a foreign investor;

(F) define the term “investment” to mean not more than a
commitment of capital or acquisition of real property and not
to include assumption of risk or expectation of gain or profit;

(G) define the term “investor” to mean only a person who
makes a commitment or acquisition described in
subparagraph (F);
(H) define the term “direct expropriation” as government actions that do not merely diminish the value of property but destroy all value of the property permanently;

(I) not provide a dispute resolution system under the agreement with regard to the enforcement of contracts between foreign investors and the government of a country that is a party to the agreement relating to natural resources, public works, or other activities under government control; and

(J) define the standard of minimum treatment to provide no greater legal rights than United States citizens possess under the due process clause of section 1 of the 14th amendment to the Constitution of the United States.

(6) PROCUREMENT STANDARDS.—If the agreement contains government procurement provisions, such provisions shall—

(A) require each country that is a party to the agreement to establish a positive list of industry sectors, goods, or services that will be subject to the obligations of the country under the agreement;

(B) with respect to the United States, apply only to State governments that specifically agree to the agreement and only to the industry sectors, goods, or services specifically identified by the State government and not apply to local governments; and

(C) include only technical specifications for goods or services, or supplier qualifications or other conditions for
receiving government contracts that do not undermine—

(i) prevailing wage policies;

(ii) recycled content policies;

(iii) sustainable harvest policies;

(iv) renewable energy policies;

(v) human rights; or

(vi) labor project agreements.

(7) INTELLECTUAL PROPERTY REQUIREMENTS.—If the agreement contains provisions related to the protection of intellectual property rights, such provisions shall—

(A) promote adequate and effective protection of intellectual property rights;

(B) include only terms relating to patents that do not, overtly or in application, limit the flexibilities and rights established in the Declaration on the TRIPS Agreement and Public Health, adopted by the World Trade Organization at the Fourth Ministerial Conference at Doha, Qatar on November 14, 2001, particularly the flexibilities and rights relating to the promotion of access to medicines and the issuance of compulsory licenses on grounds determined by member states;

(C) require that any provisions relating to the patenting of traditional knowledge be consistent with the Convention on Biological Diversity, concluded at Rio de Janeiro June 5, 1992; and
(D) ensure that the access of the public to essential medicines and to technologies critical to preventing climate change is not obstructed by any provision of the agreement relating to the protection of intellectual property rights.

(8) AGRICULTURAL STANDARDS.—If the agreement contains provisions related to agriculture, such provisions shall—

(A) ensure adequate and stable market returns for farmers in each country that is a party to the agreement;

(B) ensure adequate and affordable supplies of safe food for consumers;

(C) protect the right of each country that is a party to the agreement to encourage conservation through the use of best practices with respect to the management and production of crops;

(D) ensure fair treatment of farm laborers in each such country;

(E) protect the right of each country that is a party to the agreement to prevent dumping of agricultural commodities at below the cost of production through border regulations or other mechanisms and policies;

(F) protect the right of each such country to establish policies with respect to food and agriculture that require farmers to receive fair remuneration for management and labor that occurs on farms and that allow for inventory management and strategic food and renewable energy reserves, while ensuring that such policies must not aid or abet, or otherwise contribute to, or allow the dumping of agricultural commodities onto world markets at below the cost of production; and
(G) preserve any existing United States law relating to antitrust and anticompetitive business practices from being preempted or rendered ineffective by the agreement; and

(H) not contain provisions that conflict with agricultural policy established in United States law.

(9) TRADE REMEDIES AND SAFEGUARDS.—If the agreement contains trade remedy provisions, such provisions shall—

(A) preserve fully the ability of the United States to enforce its trade laws, including antidumping and countervailing duty laws and safeguard laws;

(B) not decrease the effectiveness of domestic and international prohibitions on unfair trade, especially prohibitions on dumping and subsidies, and domestic and international safeguard provisions;

(C) establish mechanisms to address and remedy market distortions that lead to dumping and subsidization, including overcapacity, cartelization, and market-access barriers through strong trade agreement terms disciplining subsidies;

(D) allow the United States to maintain adequate safeguards to ensure that surges of imported goods do not result in economic burdens on workers, firms, or farmers in the United States, including providing that such safeguards go into effect automatically based on certain criteria; and

(E) establish mechanisms among the parties to the agreement to examine the trade consequences of significant currency movements and to scrutinize whether a party’s
currency is misaligned to promote a competitive advantage in international trade; and

(F) if the currency of a country that is party to the agreement is deliberately misaligned, establish safeguard remedies that apply automatically to offset substantial and sustained currency movements.

(10) RULES OF ORIGIN PROVISIONS.—If the agreement contains provisions related to rules of origin, such provisions shall—

(A) ensure, to the fullest extent practicable, that goods receiving preferential treatment under the agreement are produced using inputs from a country that is a party to the agreement; and

(B) ensure the effective enforcement of such provisions.

(11) DISPUTE RESOLUTION AND ENFORCEMENT PROVISIONS.—If the agreement contains provisions related to dispute resolution, such provisions shall—

(A) incorporate the basic due process guarantees protected by the Constitution of the United States, including access to documents, open hearings, and conflict of interest rules for judges;

(B) require that any dispute settlement panel, including an appellate panel, dealing with intellectual property rights or environmental, health, labor, and other public law issues include panelists with expertise in such issues; and

(C) require an expedited process for all dispute settlement
panels and processes related to violations of an agreement’s labor and environmental obligations, recognizing that environmental and labor rights and the health, safety, and freedom of people and possibly irreversible damage to the physical environment are fundamentally different than property rights and thus require establishment of more expeditious timelines, together with the necessary resources for oversight and enforcement; and

(D) provide that dispute resolution proceedings are open to the public and provide timely public access to information regarding enforcement, disputes, and ongoing negotiations related to disputes.

(12) TECHNICAL ASSISTANCE.—If the agreement contains technical assistance provisions, such provisions shall—

(A) be designed to raise standards in developing countries by providing assistance that ensures respect for diversity of development paths;

(B) be designed to empower civil society and democratic governments to create sustainable, vibrant economies and respect basic rights;

(C) provide that technical assistance shall not be a substitute for nor supplant economic assistance; and

(D) not promote the exportation of goods produced with the exploitation of labor or unsustainable environmental practises.

(13) EXCEPTIONS FOR NATIONAL SECURITY AND OTHER
REASONS.—Each agreement shall—

(A) include an essential security exception that permits a country that is a party to the agreement to apply measures that the country considers necessary for the maintenance or restoration of international peace or security, or the protection of its own essential security interests, including regarding infrastructure, services, manufacturing, and other sectors;

(B) explicitly state that if a country invokes the essential security exception in a dispute settlement proceeding, the dispute settlement body hearing the matter shall find that the exception applies;

(C) include a provision that gives priority to the implementation of bilateral or multilateral agreements relating to public health, human and labor rights, the environment, or other public interest goals in the event of any inconsistency between a trade agreement and such bilateral or multilateral agreement; and

(D) include in its list of general exceptions the following language: “Notwithstanding any other provision of this agreement, a provision of law that is nondiscriminatory on its face and relates to domestic health, consumer safety, the environment, labor rights, worker health and safety, economic equity, consumer access, the provision of goods or services, or investment, shall not be subject to challenge under the dispute resolution mechanism established under this agreement, unless the primary purpose of the law is to
discriminate with respect to market access.”

(14) FEDERALISM.—The agreement may only require a State government to comply with procurement, investment, or services provisions contained in the agreement if the State government has been consulted in full and has given explicit consent to be bound by such provisions.

(15) TAXATION—Each agreement shall—

(A) provide for tax equity for U.S. producers and U.S. exporters, including by forbidding taxation at the border on U.S. exports in excess of taxes applied at the border by the United States to imports from parties and/or banning the rebate of taxes on exports in amounts in excess of any taxes rebated by the United States.

SEC. 5. RENEGOTIATION OF EXISTING TRADE AGREEMENTS.

The President shall submit to Congress a plan for renegotiating each trade agreement that is in effect on the date of the enactment of this Act to bring the trade agreement into compliance with the requirements of section 4(b) not later than 90 days before the earlier of the day on which the President—

(1) initiates negotiations with a foreign country with respect to a new trade agreement; or

(2) submits a bill to Congress to implement a trade agreement.

SEC. 6. ESTABLISHMENT OF CONGRESSIONAL TRADE AGREEMENT REVIEW COMMITTEE.
(a) Establishment.—There is established a Congressional Trade Agreement Review Committee.

(b) Functions.—The Committee—

(1) shall receive the report of the Comptroller General of the United States required under section 3;

(2) shall review the plan for renegotiation of trade agreements submitted by the President under section 5; and

(3) may, not later than 60 days after receiving the plan described in paragraph (2), add items for renegotiation to the plan, reject recommendations in the plan, or otherwise amend the plan by a vote of 2/3 of the members of the Committee.

(c) Appointment and Membership.—The Committee shall be composed of the chair and ranking members of the following:

(1) The Committee on Agriculture of the House of Representatives.

(2) The Committee on Education and Labor of the House of Representatives.

(3) The Committee on Energy and Commerce of the House of Representatives.

(4) The Committee on Financial Services of the House of Representatives.

(5) The Committee on Foreign Affairs of the House of Representatives.

(6) The Committee on the Judiciary of the House of Representatives.
(7) The Committee on Natural Resources of the House of Representatives.

(8) The Committee on Small Business of the House of Representatives.

(9) The Committee on Transportation and Infrastructure of the House of Representatives.

(10) The Committee on Ways and Means of the House of Representatives.

(11) The Committee on Agriculture, Nutrition, and Forestry of the Senate.

(12) The Committee on Banking, Housing, and Urban Affairs of the Senate.


(14) The Committee on Energy and Natural Resources of the Senate.


(16) The Committee on Finance of the Senate.

(17) The Committee on Foreign Relations of the Senate.


(19) The Committee on the Judiciary of the Senate.

(20) The Committee on Small Business and Entrepreneurship
of the Senate.

SEC. 7. SENSE OF CONGRESS ON REQUIREMENTS FOR TRADE AGREEMENTS.

(a) In General.—It is the sense of Congress that the requirements described in subsection (b) shall apply to any trade agreement that—

(1) is in effect with respect to the United States on the date of the enactment of this Act; or

(2) enters into force with respect to the United States on or after such date of enactment.

(b) Requirements With Respect to Trade Agreements.—The requirements described in this subsection are the following:

(1) The trade agreement shall result in the creation of jobs in the United States, increased wages, and a reduction of the trade deficit by providing fair and transparent market access while preserving the ability of the United States—

(A) to enforce domestic trade laws; and

(B) to address the negative impacts of currency manipulation, financial instability, and high debt burdens on United States trade relationships.

(2) The trade agreement shall preserve the ability of the United States and the government of any country that is a party to the agreement to foster and secure economic, social, and human development so that the people of the United States can benefit from—

(A) strong environmental, labor, health, and safety laws;
and

(B) economic development policies designed to increase job availability and stable industries, revitalize the manufacturing base in the United States, and bring economic opportunity to communities hard hit by past trade policies.

(3) The trade agreement shall create a predictable structure for international trade without providing foreign investors with overreaching privileges and rights of private enforcement that distort investment decisions.

(4) The trade agreement shall enable Federal, State and Local governments—

(A) to regulate in the public interest;

(B) to develop procurement policies that create and maintain good jobs;

(C) to promote economic opportunity and development and achieve other legitimate social goals; and

(D) to provide high-quality public services and regulate all essential services to protect the public interest.

(5) The trade agreement shall ensure that products imported into the United States, including food, meet U.S. safety standards, are thoroughly inspected, and accurately labeled.

(6) The trade agreement shall enable the public to participate meaningfully in the decisions of the Federal Government relating to trade, based on a process that is open, democratic, and fair.

(7) The trade agreement shall specifically provide that the trade
agreement does not allow for the preemption of the federalist system of the United States with respect to issues of State and local policy that are not related to international trade.

(8) The trade agreement shall reflect the interests of the United States in preserving family farms and using best available management practices.

(9) The trade agreement shall promote the ability of farmers to earn a fair price for their products, including by prohibiting export subsidies, cartels, and other anticompetitive practices and promoting inventory management to stabilize price volatility and to counter the oversupply problems that lead to dumping and depressed prices.

(10) The trade agreement shall explicitly incorporate in the core text of the agreement a requirement to adopt into domestic law and effectively enforce core labor standards.

(11) The trade agreement shall—

(A) allow any country that is a party to the agreement to follow environmental, health, and safety standards adopted in reliance on the precautionary principle, recognizing the legitimate rights of governments to protect public health, safety, and the environment;

(B) incorporate requirements to adopt into domestic law and enforce the major multilateral environmental agreements, which comprise the global consensus on basic environmental protection; and

(C) prohibit the importation of any goods that are illegally
harvested natural resources or products, or that are otherwise environmentally sensitive into the United States, and consider specific measures to enable customs agencies in all countries that are parties to the agreement, to meaningfully enforce those prohibitions, based in the principle that open trade does not mean illegal trade.

(12) The trade agreement shall—

(A) provide that failures to meet the labor and environmental standards required by the agreement are subject to dispute resolution and enforcement mechanisms and penalties that are at least as effective as the mechanisms and penalties that apply to the commercial provisions of the agreement; and

(B) ensure the availability of the resources necessary for oversight and enforcement of the labor, environmental, and intellectual property standards in the agreement.

(13) The trade agreement shall establish that, if the regulatory standards of the countries that are parties to the agreement need to be harmonized to facilitate trade, the harmonization shall be based on standards that are no less stringent than the standards of the United States.

SEC. 8. SENSE OF CONGRESS ON IMPROVING THE PROCESS FOR UNITED STATES TRADE NEGOTIATIONS.

It is the sense of Congress that if Congress considers legislation to provide for special procedures for the consideration of bills to implement trade agreements, that legislation shall include—
(1) readiness criteria for the President to use in determining whether a country—

(A) is able to meet its obligations under a trade agreement;

(B) meets the requirements described in section 3(c); and

(C) is an appropriate country with which to enter into a trade agreement;

(2) a process by which the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives review the determination of the President described in paragraph (1) to verify that the country meets the criteria;

(3) requirements for consultation with Congress during trade negotiations that require more frequent consultations than required by the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3801 et seq.), including a process for consultation with any committee of Congress with jurisdiction over any area covered by the negotiations;

(4) binding negotiating objectives and requirements outlining what must and must not be included in a trade agreement, including the requirements described in section 4(b);

(5) a process for review and certification by Congress to ensure that the negotiating objectives described in paragraph (4) have been met during the negotiations;

(6) a process—

(A) by which a State may give informed consent to be
bound by non-tariff provisions in a trade agreement that relate
to investment, the service sector, and procurement; and

(B) that prevents a State from being bound by the
provisions described in subparagraph (A) if the State has not
consented; and

(7) a requirement that a trade agreement be approved by a
majority vote in both Houses of Congress before the President
may sign the agreement.