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Legislative Bulletin.....April 10, 2008

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H.Res. 1092—Relating to the consideration of the bill (H.R. 5724) to implement the United States-Colombia Trade Promotion Agreement (*Slaughter, D-NY*)

Order of Business: The privileged resolution is scheduled to be considered on Thursday, April 10. No amendments are allowed.

Summary: H.Res. 1092 would provide that Section 151(e)(1) and Section 151(f)(1) of the Trade Act of 1974, commonly known as Trade Promotion (or "fast track") Authority, would not apply in the case of the bill (H.R. 5724) to implement the United States-Colombia Trade Promotion Agreement. Trade Promotion Authority (TPA), which technically expired in 2007 but would still apply to the Colombia Free Trade Agreement (FTA) because the agreement was completed (November 2006) before TPA's expiration, is the term for the expedited congressional consideration granted to free trade agreements by Public Law 107-210 (19 U.S.C. 2191).

H.Res. 1092 would <u>not</u> invalidate <u>all</u> of TPA for the Colombia FTA, but would turn off the timing mechanisms for <u>bringing</u> the Colombia FTA to the House floor. H.Res. 1092 would <u>leave</u> in place TPA's rules regarding the introduction of FTA implementing legislation, the committee referral of such legislation, the prohibition on amendments to such legislation, debate on such legislation once it's already on the House floor, definitions of key terms, and any provisions regarding Senate consideration.

Specifically, H.Res. 1092 would turn <u>off</u> the following TPA provisions as they apply to the Colombia FTA:

(e) Period for committee and floor consideration

(1) Except as provided in paragraph (2), if the committee or committees of either House to which an implementing bill or approval resolution has been referred have not reported it at the close of the 45^{th} day after its introduction, such committee or committees shall be automatically discharged from further consideration of the bill or resolution and it shall be placed on the appropriate calendar. A vote on final passage of the bill or resolution shall be taken in each House on or before the close of the 15^{th} day after the bill or resolution is reported by the committee or

committees of that House to which it was referred, or after such committee or committees have been discharged from further consideration of the bill or resolution. If prior to the passage by one House of an implementing bill or approval resolution of that House, that House receives the same implementing bill or approval resolution from the other House, then—

(A) the procedure in that House shall be the same as if no implementing bill or approval resolution had been received from the other House, but

(**B**) the vote on final passage shall be on the implementing bill or approval resolution of the other House.

AND

(f) Floor consideration in the House

(1) A motion in the House of Representatives to proceed to the consideration of an implementing bill or approval resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

In other words, today's resolution would <u>turn off</u> the requirement that the Colombia FTA implementing legislation (H.R. 5724) be automatically discharged from committee 45 legislative days after referral, if not reported from committee, and that the implementing legislation be considered on the House floor within legislative 15 days of either being reported or discharged from committee. Because President Bush transmitted the Colombia Free Trade Agreement to Congress on Tuesday, April 8, 2008, the normal TPA procedures would require a final-passage vote on the Colombia FTA implementing legislation no later than the week before the start of the August recess. (The Senate's 30-day TPA timeframe—15 legislative days for committee and 15 legislative days before floor action—would remain intact.)

Today's resolution would also <u>turn off</u> the requirement that a motion in the House to consider the Colombia FTA implementing legislation be privileged, non-debatable, non-amendable, and shielded from a motion to reconsider.

Note that, although the rules for the consideration of FTAs are set in statute (19 U.S.C. 2191), the United States Constitution, in Article I, Section 5, Clause 2, provides that, "Each House may determine the Rules of its Proceedings...." Thus, either congressional body may alter any rules of procedure in statute simply by passing a special rule (as the House is doing today). In fact, the language of TPA itself notes "...full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House."

<u>Additional Background</u>: Colombia is both an economic and a strategic partner in South America.

<u>Economic Partner</u>. Colombia represents a market of 44 million people. Most Colombian exports to the United States enter here duty-free, but the reverse is not true. Some Colombia tariffs are as high as 35% for manufactured goods and as high as 80% for agricultural goods. On the date that the FTA with Colombia enters into force, 80% of industrial and consumer goods exported to Colombia would enter duty-free. The remainder would phase out within ten years thereafter. <u>http://www.ustr.gov/assets/Document_Library/Press_Releases/2008/April/asset_upload_file109_14727.pdf</u> <u>Strategic Partner</u>. Colombia is a success story for the world. Most prominently, the Colombian Government has taken steps against terrorists groups and violence within its borders that, since 2005, over 31,000 members from 35 paramilitary groups, mainly from the AUC (United Self-Defense Forces of Colombia), have demobilized. Since 2002, more than 10,500 members of the leftist insurgent groups FARC (Revolutionary Armed Forces of Colombia) and ELN (National Liberation Army) have chosen to individually demobilize, leaving their units and turning themselves in to Colombian authorities.

This crackdown on terrorism and violence dovetails with the Colombian anti-drug efforts, which have kept an average of 400 metric tons of cocaine per year from reaching the U.S. market.

Furthermore, the Colombian Government remains stubbornly pro-democracy and pro-America, despite numerous domestic and internal pressures, and serves as a critical geo-strategic counterbalance to neighboring Venezuela and Ecuador, both of which harbor international terrorists.

http://www.ustr.gov/assets/Trade_Agreements/Bilateral/Colombia_FTA/asset_upload_file144_1 3716.pdf

<u>Democrat Concerns</u>. Many Democrats remain opposed to the Colombia FTA, not for economic reasons, and not because they do not see Colombia as a strategic partner for the U.S., but because they rank these considerations below certain concerns over labor conditions and rights in Colombia. However, the U.S. Trade Representatives notes that the FTA includes an enforceable reciprocal obligation for the countries to adopt and maintain in their laws and practice without waiver the core internationally-recognized labor rights as stated in the 1998 ILO Declaration on Fundamental Principles and Rights at Work, including a prohibition on the worst forms of child labor. There is also an enforceable obligation to effectively enforce labor laws related to those rights and to working conditions. These labor obligations are subject to the same dispute settlement procedures and enforcement mechanisms as obligations in other chapters of the FTA. The Agreement also establishes a cooperative mechanism for the governments to develop cooperative activities aimed at promoting and advancing fundamental labor rights.

For a variety of details and background about the Colombia FTA, including state-by-state benefits of the FTA, sector-by-sector industry benefits of the FTA, and a list of supporters of the FTA, or to read the FTA text itself, please go to this link: http://www.ustr.gov/Trade_Agreements/Bilateral/Colombia_FTA/Section_Index.html.

<u>RSC Bonus Fact</u>: According to the U.S. Trade Representative, U.S. export growth accounted for 40% of U.S. Gross Domestic Product (GDP) growth in 2007, and U.S. exports to our FTA partner countries have grown 40% faster than U.S. exports to the rest of the world. <u>http://www.ustr.gov/assets/Document_Library/Press_Releases/2008/April/asset_upload_file109_14727.pdf</u>

<u>**Committee Action**</u>: On April 9, 2008, the resolution was introduced and referred to the Rules Committee (original jurisdiction), where it was reported on the same day to the full House by a party-line vote of 9-3.

Possible Conservative Concerns: Many conservatives will be concerned that this resolution would delay, possibly indefinitely, the consideration of the Colombia Free Trade Agreement, which many conservatives regard as vital for economic and geo-political reasons. Additionally, some conservatives, who are already concerned about last year's expiration of Trade Promotion Authority (TPA), may be concerned that this resolution would reach back and negate portions of Trade Promotion Authority applicable to a trade agreement completed <u>before</u> TPA's expiration.

<u>Administration Position</u>: The Administration is strongly in favor of implementing the Colombia FTA as soon as possible and thus is against this resolution.

<u>Cost to Taxpayers</u>: The resolution would authorize no expenditure.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: A statement verifying that H.Res. 1092 contains no earmarks, limited tax benefits, or limited tariff benefits was not available at press time, though it is worth noting that H.Res. 1092 would, by delaying the implementation of the Colombia Free Trade Agreement, indirectly inflict broad tariff harm on the American people.

<u>**Constitutional Authority**</u>: Though a committee report citing constitutional authority was not available for this resolution at press time, Article I, Section 5, Clause 2 of the U.S. Constitution provides that, "Each House may determine the Rules of its Proceedings...."

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