



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503**

October 11, 2011
(House)

STATEMENT OF ADMINISTRATION POLICY
H.R. 2832 – Generalized System of Preferences and Trade Adjustment Assistance
Extensions
(Rep. Camp, R-Michigan, and 3 cosponsors)

The Administration strongly supports enactment of H.R. 2832, which renews the Generalized System of Preferences (GSP) and Trade Adjustment Assistance (TAA) programs.

The TAA provisions renew coverage for American workers whose jobs have been adversely affected by global competition. These workers need, and would benefit from, job retraining and other services. As the United States expands access to other markets through new Free Trade Agreements, the Federal Government can help ensure that American workers are provided with the tools they need to take advantage of opportunities for retraining and other services and to compete in the global economy.

The TAA provisions preserve the key goals of the 2009 TAA program reforms (which expired in February, 2011), such as covering service workers and workers whose jobs shift to China, India, and other countries, to help ensure workers adversely affected by global competition are given the best opportunity to acquire skills and credentials to get good jobs. The Administration estimates that this version of TAA will provide significant savings when compared to a straight extension of the full 2009 program.

The Administration is pleased that this legislation also renews and extends the GSP, one of the United States' largest preference programs. The GSP program provides preferential, duty-free entry to the United States for up to 4,800 products from 129 designated beneficiary countries and territories. Many GSP imports are used as inputs by U.S. companies to manufacture goods here in the United States. The program is particularly important to American small businesses, many of which rely on the program's duty savings to stay competitive. The lapse in GSP authorization has already cost U.S. businesses tens of millions of dollars in additional import duties, increased costs to American manufacturers and consumers, and undercut efforts by poor countries to grow their economies and fight poverty. Timely passage of this legislation will address these concerns.

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