

## **TRADE Act (H.R. 3012/S. 2821)** **(Trade Reform, Accountability, Development and Employment)**

**Introduction:** The TRADE Act has been introduced in the House and the Senate. The Act is a comprehensive redesign of the process, goals and objectives for U.S. trade policy in light of clear past failures.

**Review of Existing Trade Agreements:** The Act requires existing trade agreements to be reviewed using specific criteria for evaluation. The criteria include trade balance, wage levels, income distribution, employment effects, global/domestic market share by industry, effect on product prices, labor effects, intellectual property impact and environmental impacts. It also requires evaluation of countries that are parties to the agreements, i.e. whether they are democratic governments, prevent corruption, protect intellectual property rights, pose national security concerns, and other factors.

**Require Provisions in Trade Agreements:** The Act requires trade agreements in the future to include more favorable provisions on labor, currency, border adjustable taxes, human rights, environment and public safety standards, food and product safety standards, services, investment, domestic procurement, intellectual property protection, and agricultural production and family farm protection. Trade agreements must not interfere with U.S. trade remedies and safeguards; must effectively deal with currency misalignment; and must eliminate the impact of border adjustable taxes. Also, future trade agreements must, according to the TRADE Act, allow national security concerns to allow protection of key industries and sectors.

**Process of Negotiation:** The TRADE Act creates a newly formed Congressional Trade Agreement Review Committee. The Chairmen and Ranking Members of several standing committees are on this Trade Agreement Review Committee, so more committees than Ways & Means Committee (in the House) and Finance Committee (in the Senate) are involved. This Trade Agreement Review Committee will oversee the reviews of past trade agreements and any Administration plan to renegotiate trade agreements.

**Support:** As of February 2010, the TRADE Act has 138 co-sponsors in the House and 8 co-sponsors in the Senate. CPA has endorsed this legislation. We encourage all House and Senate members to co-sponsor the TRADE Act.

