

PROVIDING FOR THE CONSIDERATION OF H.R. 2621,
THE RECIPROCAL TRADE AGREEMENT AUTHORITIES
ACT OF 1997

SEPTEMBER 24, 1998.—Referred to the House Calendar and ordered to be printed

Mr. DREIER, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 553]

The Committee on Rules, having had under consideration House Resolution 553, by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

BRIEF SUMMARY OF PROVISIONS OF RESOLUTION

The resolution provides for the consideration of H.R. 2621, the “Reciprocal Trade Agreement Authorities Act of 1997,” under a closed rule. The rule provides two hours of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The rule provides that the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendments printed in this report, shall be considered as adopted. The rule waives all points of order against the bill, as amended.

Finally, the rule provides for one motion to recommit, with or without instructions.

SUMMARY OF AMENDMENT CONSIDERED AS ADOPTED BY THE RULE TO
H.R. 2621, THE RECIPROCAL TRADE AGREEMENT AUTHORITIES ACT
OF 1997

(Prepared by Committee on Ways and Means Staff)

- Sets forth certain findings of Congress, such as the sense that expansion of international trade is vital to U.S. national security and that trade is critical to U.S. economic growth and strength and its leadership in the world.

- Directs USTR, in agriculture negotiations, to take into account the impact of agreements covering agriculture to which the United States is a party.
- Provides for USTR, before commencing agriculture negotiations, to seek to develop a position, in consultation with Congress, on the treatment of seasonal and perishable agriculture products to be employed in the negotiations in order to develop an international consensus on the treatment of seasonal and perishable agriculture products with respect to dumping, safeguards, and any other relevant matters.
- Clarifies that the principal negotiating objective concerning agriculture applies to all future trade agreements requiring implementations, including accessions to existing trade agreements.
- Adds new provision to section 102(b)(7)(B) stating that nothing in this subsection is to be construed to authorize inclusion in an implementing bill or in an agreement to an implementing bill provisions that would restrict the autonomy of the United States in the listed areas.
- Adds provision to section 102(d) establishing that USTR is to timely consult with and keep fully apprised (including immediately before initialing an agreement), the congressional advisers for trade policy, the Committee on Ways and Means and the Committee on Finance. With regard to negotiations concerning agriculture, the House and Senate Committees on Agriculture would have the right to such consultations as well.
- Requires that the President, with respect to any trade agreement implemented under trade authorities procedures, submit to Congress a report describing the extent to which the parties to that trade agreement have in effect laws governing exploitative child labor.
- Prohibits the President from using his authority to reduce tariffs on any import sensitive products. As a result, the only way that tariff for import sensitive products could be reduced is if Congress passes legislation specifically implementing such a tariff reduction.
- Directs the President to commence negotiations covering trade barriers affecting any industry, product, or service sector, including: agriculture, commercial services, intellectual property rights, industrial and capital goods, government procurement, information technology products, environmental technology and services, medical equipment and services, civil aircraft, and infrastructure products.
- Directs that the President, before initiating agriculture negotiations to reduce tariffs on import sensitive agriculture products, is to consult with the Ways and Means and Agriculture Committees concerning the reductions, the impact of any reduction on the U.S. industry, and whether adjustment periods should be provided; directs the President to seek the advice of the International Trade Commission in determining which agriculture products are import sensitive.
- Prohibits any tariff reduction for agriculture import sensitive products unless USTR has consulted with the Ways and Means and Agriculture Committees concerning whether any further tariff reductions would be appropriate for these products, taking into account the impact on the U.S. industry. In addition, USTR must re-

quest the International Trade Commission to assess the probable economic effects of any reduction. After this process, USTR must notify the Committees of those products for which it will seek tariff reductions and which products are the subject of requests by U.S. trading partners.

- Requires a study by the International Trade Commission, due 90 days after the President enters into a trade agreement eligible for fast track implementation, assessing the likely impact of that agreement on the U.S. economy as a whole and on specific industry sectors, including the impact the agreement would have on gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and the competitive position of industries likely to be significantly affected by the agreement, and the interest of U.S. consumers.

- Specifies that the trade authorities procedures shall not apply to the OECD Multilateral Agreement on Investment.

- Creates a Congressional Oversight Group for each trade negotiation, to be accredited as official advisers to the U.S. delegation for the negotiation, for the purpose of consulting with and providing advice regarding the formulation of specific objectives, negotiating strategies and positions, and the development of the trade agreement.

- Requires that the President, when submitting the final text of a trade agreement to Congress, also submit a plan for implementing and enforcing the agreement including border personnel requirements, agency staffing requirements, Customs infrastructure requirements, impact on state and local governments, and cost analysis.

- Requires that the U.S. Chief Agriculture Negotiator be selected from among individuals with appropriate experience in agriculture matters.

- Extend all Trade Adjustment Assistance programs through 1999.

- Reduces Information Technology funding at USDA; by law, the Department of Agriculture's Commodity Credit Corporation is allowed to spend \$275 million during the fiscal year 1997–2002 for acquisition of information technology. This proposal provides \$56 million in savings over five years by funding IT at \$51 million in fiscal year 1998; \$24 million in fiscal year 1999; \$39 million in fiscal year 2000; \$20 million in fiscal year 2001; \$30 million in fiscal year 2002.

- Deletes “repeal of the special rule for rental use of vacation homes, etc., for less than fifteen days.”

- Adds new provision to establish an agriculture “Special 301” procedure for identifying in a report trade barriers in countries that deny “fair and equitable market access” and that impose unjustified sanitary and phytosanitary standards against U.S. agricultural exports. One month after the report is issued, USTR would be required to identify “priority foreign countries” against which it would initiate Section 301 unfair trade practice investigations, resulting in possible trade actions against the offending country.

- Sets forth findings of Congress that USTR would work diligently with the Minister of Finance of Japan to fully enforce the terms of the U.S.-Japan Insurance Agreement so that the Japanese

insurance market will be open to U.S. investment; and so that existing and future U.S. investments in the Japanese insurance market are protected.

- Amends the marking statute with respect to perishable agricultural products to require marking of the immediate container as it ordinarily reaches the ultimate purchaser.

- Provides that Commerce is to monitor and vigorously enforce the suspension agreement covering tomatoes from Mexico; if the agreement is violated, Commerce is to immediately resume the antidumping investigation; Commerce is to establish a Rapid Response Team to ensure full compliance with the agreement.

- Requires that the President establish a task force to review conditions along the United States-Mexico border relating to housing, labor, the environment, and other relevant issues.

- Technical changes.

Amendment considered as adopted by the rule:

Amend section 101 to read as follows:

SEC. 101. SHORT TITLE AND FINDINGS.

(a) **SHORT TITLE.**—The Act may be cited as the “Reciprocal Trade Agreement Authorities Act of 1998”.

(b) **FINDINGS.**—The Congress makes the following findings:

(1) The expansion of international trade is vital to the national security of the United States. Trade is critical to the economic growth and strength of the United States and to its leadership in the world. Stable trading relationships promote security and prosperity. Trade agreements today serve the same purposes that security pacts played during the Cold War, binding nations together through a series of mutual rights and obligations. Leadership by the United States in international trade fosters open markets, democracy, and peace throughout the world.

(2) The national security of the United States depends on its economic security, which in turn is founded upon a vibrant and growing industrial base. Trade expansion has been the engine of economic growth. Trade agreements maximize opportunities for the critical sectors and building blocks of the economy of the United States, such as information technology, telecommunications and other leading technologies, basic industries, capital equipment, medical equipment, services, agriculture, environmental technology, and intellectual property. Trade will create new opportunities for the United States and preserve the unparalleled strength of the United States in economic, political, and military affairs. The United States, secured by expanding trade and economic opportunities, will meet the challenges of the twenty-first century.

In section 102(b)(6)—

(1) in the matter preceding subparagraph (A), insert “of agricultural commodities” after “United States exports”;

(2) insert “(A)” before “The principal negotiating objective of the United States with respect to agriculture”;

(3) in subparagraph (A), redesignate clauses (i) and (ii) as subclauses (I) and (II), and redesignate subparagraph (A) as clause (i);

(4) redesignate subparagraph (B) as clause (ii);

(5) in subparagraph (C), redesignate clauses (i) through (v) as subclauses (I) through (V), respectively, and redesignate subparagraph (C) as clause (iii);

(6) redesignate subparagraphs (D) through (G) as clauses (iv) through (vii), respectively;

(7) strike “and” at the end of clause (vi), as so redesignated, strike the period at the end of clause (vii), as so redesignated, and insert “; and”; and

(8) add at the end the following:

(viii) taking into account the impact that agreements covering agriculture to which the United States is a party, including the North American Free Trade Agreement, have on the United States agricultural industry.

(B)(i) Before commencing negotiations with respect to agriculture, the United States Trade Representative, in consultation with the Congress, shall seek to develop a position on the treatment of seasonal and perishable agricultural products to be employed in the negotiations in order to develop an international consensus on the treatment of seasonal or perishable agricultural products in investigations relating to dumping and safeguards and in any other relevant area.

(ii) The negotiating objective provided in subparagraph (A) applies with respect to agricultural matters to be addressed in any trade agreement entered into under section 103(a) or (b), including any trade agreement entered into under section 103(a) or (b) that provides for accession to a trade agreement to which the United States is already a party, such as the North American Free Trade Agreement and the United States-Canada Free Trade Agreement.

In section 102(b)(7)(B), add the following at the end of the subparagraph: “Nothing in this subparagraph shall be construed to authorize inclusion in an implementing bill under this Act or in an agreement subject to an implementing bill under this Act provisions that would restrict the autonomy of the United States in these areas.”

Add the following at the end of section 102(d):

(3) CONSULTATION BEFORE AGREEMENT INITIALED.—In the course of negotiations conducted under this Act, the United States Trade Representative shall—

(A) consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade policy and negotiations appointed under section 161 of the Trade Act of 1974 (19 U.S.C. 2211), the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate; and

(B) with regard to any negotiations and agreement relating to agricultural trade, also consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Insert after section 102(e) the following:

(f) REPORT ON CHILD LABOR LAWS.—With respect to any trade agreement which the President seeks to implement under trade authority procedures, the President shall submit to the Congress a report describing the extent to which the country or countries that are parties to the agreement have in effect laws governing exploitative child labor.

In section 103(a)(1), move the indentation of the text that reads “The President shall notify the Congress of the President’s intention to enter into an agreement under this subsection.” 2 ems to the left.

In section 103(a)(2), strike subparagraph (B) and insert the following:

(B) notwithstanding any other provision of this Act, reduces the rate of duty below that applicable under the Uruguay Round Agreements, on any agricultural product which was the subject of tariff reductions by the United States as a result of the Uruguay Round Agreements, for which the rate of duty, pursuant to such Agreements, was reduced on January 1, 1995, to a rate which was not less than 97.5 percent of the rate of duty that applied to such article on December 31, 1994; or

In section 103(c), amend paragraph (5)(A) to read as follows:

(5) EXTENSION DISAPPROVAL RESOLUTIONS.—(A) For purposes of paragraph (1), the term “extension disapproval resolution” means a resolution of either House of the Congress, the sole matter after the resolving clause of which is as follows: “That the ___ disapproves the request of the President for the extension, under section 103(c)(1)(B)(i) of the Reciprocal Trade Agreement Authorities Act of 1998, of the trade authority procedures under that Act to any implementing bill submitted with respect to any trade agreement entered into under section 103(b) of that Act after September 30, 2001.”, with the blank space being filled with the name of the resolving House of the Congress.

In section 103(b)(3), in the last sentence strike “subparagraph” and insert “paragraph”.

In section 103, add the following at the end:

(d) COMMENCEMENT OF NEGOTIATIONS.—In order to contribute to the continued economic expansion of the United States, the President shall commence negotiations covering tariff and nontariff barriers affecting any industry, product, or service sector, and to expand existing sectoral agreements to countries that are not parties to those agreements, in cases where the President determines that such negotiations are feasible and timely and would benefit the United States. Such sectors include agriculture, commercial services, intellectual property rights, industrial and capital goods, government procurement, information technology products, environmental technology and services, medical equipment and services, civil aircraft, and infrastructure products.

In section 104(a)(3)—

- (1) insert “(A)” after “AGRICULTURE.—”;
- (2) strike “102(b)(6)(A)” and insert “102(b)(6)(A)(i)”; and
- (3) add at the end the following:

(B) Before initiating negotiations to reduce United States tariffs on agricultural products which the President determines to be import sensitive, the President shall consult with the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate concerning such tariff reductions. The consultations shall include an assessment of the impact of any tariff reduction on the United States industry producing the product and whether adjustment periods should be provided to the industry. The President, with the advice of the International Trade Commission, shall determine which agricultural products are import sensitive.

(C) Before initiating negotiations with regard to agriculture, the United States Trade Representative shall—

(i) identify those agricultural products subject to tariff reductions by the United States as a result of the Uruguay Round Agreements, for which the rate of duty was reduced on January 1, 1995, to a rate which was not less than 97.5 percent of the rate of duty that applied to such article on December 31, 1994;

(ii) consult with the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate concerning whether any further tariff reductions on the products identified under clause (i) should be appropriate, taking into account the impact of any such tariff reduction on the United States industry producing the product;

(iii) request that the International Trade Commission prepare an assessment of the probable economic effects of the tariff reduction on the United States industry producing the product and on the United States economy as a whole; and

(iv) upon complying with clauses (i), (ii), and (iii), notify the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate those products identified in clause (i) for which the Trade Representative intends to seek further tariff liberalization in the negotiations.

(D) If, after negotiations described in subparagraph (C) are commenced—

(i) the United States Trade Representative identifies any additional agriculture product described in subparagraph (C)(i) for tariff reductions which were not the subject of a notification under subparagraph (C)(iv), or

(ii) any additional agricultural product described in subparagraph (C)(i) is the subject of a request for tariff reductions by a party to the negotiations, the Trade Representative shall notify the committees referred to in subparagraph (C)(iv) as soon as practicable of those products.

In section 104, amend the section heading to read as follows:

SEC. 104. CONSULTATIONS AND ASSESSMENT.

Add the following at the end of section 104:

(d) ITC ASSESSMENT.—

(1) IN GENERAL.—The President, at least 90 calendar days before the day on which the President enters into a trade agreement under section 103(b), shall provide the International Trade Commission (referred to in this subsection as “the Commission”) with the details of the agreement as it exists at that time and request the Commission to prepare and submit an assessment of the agreement as described in paragraph (2). Between the time the President makes the request under this paragraph and the time the Commission submits the assessment, the President shall keep the Commission current with respect to the details of the agreement.

(2) ITC ASSESSMENT.—Not later than 90 calendar days after the President enters into the agreement, the Commission shall submit to the President and Congress a report assessing the likely impact of the agreement on the United States economy as a whole and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and the competitive position of industries likely to be significantly affected by the agreement, and the interests of United States consumers.

(3) REVIEW OF EMPIRICAL LITERATURE.—In preparing the assessment, the Commission shall review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement, and shall provide in its assessment a description of the analyses used and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

In section 105(a)(1)(C), insert “to the Congress” after “submits”.

In section 105(a)(2)(B)(i), add “and” after the semicolon.

In section 105(b)(1), amend the paragraph caption to read as follows:

(1) FOR LACK OF NOTICE OR CONSULTATIONS.—

In section 105(b)(1), amend subparagraph (B) to read as follows:

(B) PROCEDURAL DISAPPROVAL RESOLUTION.—For purposes of this paragraph, the term “procedural disapproval resolution” means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: “That the President has failed or refused to notify or consult (as the case may be) with Congress in accordance with section 104 or 105 of the Reciprocal Trade Agreement Authorities Act of 1998 on negotiations with respect to _____ and, therefore, the trade authorities procedures under that Act shall not apply to any implementing bill submitted with respect to that trade agreement.”, with the blank space being filled with a description of the trade agreement with respect to which the President is considered to have failed or refused to notify or consult.

In section 106(a), strike paragraph (2) and redesignate the succeeding paragraphs accordingly.

Insert after section 106(b) the following:

(c) MULTILATERAL AGREEMENT ON INVESTMENT.—Notwithstanding any other provision of this Act, the trade authorities procedures shall not apply to the Multilateral Agreement on Investment concluded under the auspices of the Organization for Economic Cooperation and Development.

Insert the following after section 106 and redesignate the succeeding sections, and references thereto, accordingly:

SEC. 107. CONGRESSIONAL OVERSIGHT GROUPS.

(a) APPOINTMENT AND FUNCTIONS.—Not later than 30 days after the date on which the President provides notice under section 104(a)(1) of the President's intention to enter into negotiations with respect to a trade agreement—

(1) the Speaker of the House of Representatives, upon the recommendation of the chairman of the Committee on Ways and Means, shall appoint 5 members (not more than 3 of whom are members of the same political party) of such committee, and

(2) the President pro tempore of the Senate, upon the recommendation of the chairman of the Committee on Finance, shall appoint 5 members (not more than 3 of whom are members of the same political party) of such committee,

to serve as members of a Congressional Oversight Group for the negotiations. Each such member shall be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegation in the negotiations. Members of the Congressional Oversight Group shall consult with and provide advice to the Trade Representative regarding the formulation of specific objectives, negotiating strategies and positions, and the development of the trade agreement.

(b) ADDITIONAL MEMBERS.—

(1) AUTHORITY TO APPOINT.—In addition to the members designated under subsection (a) for a Congressional Oversight Group—

(A) the Speaker of the House of Representatives may appoint additional members of the House from any other committee of the House or joint committee of Congress to serve as members of the Congressional Oversight Group; and

(B) the President pro tempore of the Senate may appoint additional members of the Senate from any other committee of the Senate or joint committee of Congress to serve as members of the Congressional Oversight Group.

Members of the House and Senate appointed under this paragraph shall be accredited by the United States Trade Representative.

(2) CONSULTATIONS.—Before designating any member under paragraph (1), the Speaker or the President pro tempore shall consult with—

(A) the chairman and ranking minority member of the Committee on Ways and Means and the Committee on Finance, as appropriate; and

(B) the chairman and ranking minority member of the committee from which the member will be appointed.

(3) AFFILIATION.—Not more than 2 members may be appointed under this subsection as members of any Congressional Oversight Group from any 1 committee of Congress. If 2 members are appointed from 1 committee, they must be from different political parties, and the total members from any political party appointed under this subsection for any Congressional Oversight Group may not exceed the total number of members from any other political party.

(c) GUIDELINES.—

(1) PURPOSE AND REVISION.—Within 120 days after the date of the enactment of this Act, the United States Trade Representative shall develop written guidelines, in consultation with the chairmen and ranking minority members of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, to facilitate the useful and timely exchange of information between the Trade Representative and the Congressional Oversight Groups established under this section. The Trade Representative may revise the guidelines from time to time as needed following further such consultation.

(2) CONTENT.—The guidelines developed under paragraph (1) shall provide for, among other things—

(A) regular, detailed briefings of each Congressional Oversight Group regarding negotiating objectives and positions and status of the negotiations with respect to which the group was appointed, beginning as soon as practicable after the appointment of the members of the group, with more frequent briefings as trade negotiations enter the final stage;

(B) access by members of each Congressional Oversight Group, and staff with proper security clearances, to pertinent documents relating to the negotiations, including classified materials; and

(C) the closest practicable coordination between the Trade Representative and each Congressional Oversight Group at all critical periods during the negotiations, including at negotiation sites.

SEC. 108. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

(a) IN GENERAL.—At the time the President submits the final text of an agreement pursuant to section 105(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) BORDER PERSONNEL REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) AGENCY STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade

Representative, the Department of Commerce, the Department of Agriculture, and the Department of the Treasury.

(3) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

(b) BUDGET SUBMISSION.—The President shall include a request for the resources necessary to support the plan described in subsection (a) in the first budget the President submits to Congress after the submission of the plan.

In section 102(d)(2), strike “the congressional advisers on trade policy and negotiations appointed under section 161 of the Trade Act of 1974” and insert “the Congressional Oversight Group appointed under section 107 with respect to the negotiations”.

In section 109, as so redesignated (relating to Chief Agricultural Negotiator), insert before the period at the end of the first sentence the following: “, from among individuals with appropriate experience in agricultural matters”.

In section 110, as so redesignated (relating to conforming amendments)—

(1) amend subsection (a)(1) to read as follows:

(1) IMPLEMENTING BILL.—Section 151(b)(1) (19 U.S.C. 2191(b)(1)) is amended by striking “, section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988,”; and

(2) strike “Act of 1997” each place it appears and insert “Act of 1998”.

Amend section 201 to read as follows:

SEC. 201. ADJUSTMENT ASSISTANCE FOR WORKERS.

Section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended—

(1) in subsection (a) by striking “1993” and all that follows through “1998,” and inserting “1998 and 1999 and for the period beginning October 1, 1999, and ending December 31, 1999,”; and

(2) in subsection (b) by striking “1994” and all that follows through “1998,” and inserting “1998 and 1999 and for the period beginning October 1, 1999, and ending December 31, 1999,”.

Insert the following after section 201 and redesignate the succeeding sections accordingly:

SEC. 202. NAFTA TRANSITIONAL PROGRAM.

Section 250(d)(2) of the Trade Act of 1974 (19 U.S.C. 2331(d)(2)) is amended by striking “for any fiscal year \$30,000,000” and inserting “\$30,000,000 for fiscal year 1998 or 1999 and shall not exceed \$7,000,000 for the period beginning October 1, 1999, and ending December 31, 1999”.

Amend section 203, as so redesignated, to read as follows:

SEC. 203. ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended by striking “1993” and all that follows through “1998” and inserting “1998 and 1999 and for the period beginning October 1, 1999, and ending December 31, 1999”.

Amend section 205, as so redesignated, to read as follows:

SEC. 205. TERMINATION.

Section 285(c) of the Trade Act of 1974 (19 U.S.C. 2271 note preceding) is amended—

(1) in paragraph (1), by striking “September 30, 1998” and inserting “December 31, 1999”; and

(2) in paragraph (2)(A), by striking “the day that is” and all that follows through “effective” and inserting “December 31, 1999”.

Strike title III and insert the following:

TITLE III—SPENDING OFFSETS

SEC. 301. COMPUTER-RELATED ACTIVITIES OF THE DEPARTMENT OF AGRICULTURE.

(a) PROHIBITION ON FUNDING.—No expenses for computer-related activities of the Department of Agriculture that are funded through the Commodity Credit Corporation pursuant to section 4(g) of the Commodity Credit Corporation Charter Act shall be funded in fiscal year 1999.

(b) REDUCTION IN LIMITATION ON OBLIGATIONS.—Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking “\$193,000,000” and inserting “\$128,000,000”.

Add the following at the end:

TITLE IV—MISCELLANEOUS TRADE PROVISIONS

SEC. 401. IDENTIFICATION OF COUNTRIES THAT DENY MARKET ACCESS FOR UNITED STATES AGRICULTURAL PRODUCTS.

(a) IDENTIFICATION REQUIRED.—

(1) IN GENERAL.—Chapter 8 of title I of the Trade Act of 1974 is amended by adding at the end the following:

“SEC. 183. IDENTIFICATION OF COUNTRIES THAT DENY MARKET ACCESS FOR AGRICULTURAL PRODUCTS.

“(a) IN GENERAL.—Not later than the date that is 30 days after the date on which the annual report is required to be submitted to Congressional committees under section 181(b), the United States Trade Representative (hereafter in this section referred to as the ‘Trade Representative’) shall identify—

“(1) those foreign countries that—

“(A) deny fair and equitable market access to United States agricultural products, or

“(B) apply unjustified sanitary or phytosanitary standards for imported agricultural products from the United States; and

“(2) those foreign countries identified under paragraph (1) that are determined by the Trade Representative to be priority foreign countries.

“(b) SPECIAL RULES FOR IDENTIFICATIONS.—

“(1) CRITERIA.—In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall only identify those foreign countries—

“(A) that engage in or have the most onerous or egregious acts, policies, or practices that deny fair and equitable market access to United States agricultural products,

“(B) whose acts, policies, or practices described in subparagraph (A) have the greatest adverse impact (actual or potential) on the relevant United States products, and

“(C) that are not—

“(i) entering into good faith negotiations, or

“(ii) making significant progress in bilateral or multilateral negotiations,

to provide fair and equitable market access to United States agricultural products.

“(2) CONSULTATION AND CONSIDERATION REQUIREMENTS.—In identifying priority foreign countries under subsection (a)(2), the Trade Representative shall—

“(A) consult with the Secretary of Agriculture and other appropriate officers of the Federal Government, and

“(B) take into account information from such sources as may be available to the Trade Representative and such information as may be submitted to the Trade Representative by interested persons, including information contained in reports submitted under section 181(b) and petitions submitted under section 302.

“(3) FACTUAL BASIS REQUIREMENT.—The Trade Representative may identify a foreign country under subsection (a)(1) only if the Trade Representative finds that there is a factual basis for the denial of fair and equitable market access as a result of the violation of international law or agreement, or the existence of barriers, referred to in subsection (d).

“(4) CONSIDERATION OF HISTORICAL FACTORS.—In identifying foreign countries under paragraphs (1) and (2) of subsection (a), the Trade Representative shall take into account—

“(A) the history of agricultural trade relations with the foreign country, including any previous identification under subsection (a)(2), and

“(B) the history of efforts of the United States, and the response of the foreign country, to achieve fair and equitable market access for United States agricultural products.

“(c) REVOCATIONS AND ADDITIONAL IDENTIFICATIONS.—

“(1) AUTHORITY TO ACT AT ANY TIME.—If information available to the Trade Representative indicates that such action is appropriate, the Trade Representative may at any time—

“(A) revoke the identification of any foreign country as a priority foreign country under this section, or

“(B) identify any foreign country as a priority foreign country under this section.

“(2) REVOCATION REPORTS.—The Trade Representative shall include in the semiannual report submitted to the Congress under section 309(3) a detailed explanation of the reasons for the revocation under paragraph (1) of the identification of any foreign country as a priority foreign country under this section.

“(d) DEFINITIONS.—For purposes of this section, a foreign country denies fair and equitable market access if the foreign country effectively denies access to a market for a product through the use of laws, procedures, practices, or regulations which—

“(1) violate provisions of international law or international agreements to which both the United States and the foreign country are parties, or

“(2) constitute discriminatory nontariff trade barriers.

“(e) PUBLICATION.—The Trade Representative shall publish in the Federal Register a list of foreign countries identified under subsection (a) and shall make such revisions to the list as may be required by reason of the action under subsection (c).

“(f) ANNUAL REPORT.—The Trade Representative shall, not later than the date by which countries are identified under subsection (a), transmit to the Committee on Ways and Means and the Committee on Agriculture of the House of Representatives and the Committee on Finance and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the actions taken under this section during the 12 months preceding such report, and the reasons for such actions, including a description of progress made in achieving fair and equitable market access for United States agricultural products.”

(2) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by inserting after the item relating to section 182 the following:

“Sec. 183. Identification of countries that deny market access for agricultural products.”

(b) INVESTIGATIONS.—

(1) IN GENERAL.—Subparagraph (A) of section 302(b)(2) of the Trade Act of 1974 (19 U.S.C. 2412(b)(2)) is amended by inserting “or 183(a)(2)” after “section 182(a)(2)” in the matter preceding clause (i).

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 302(b)(2) of such Act is amended by inserting “concerning intellectual property rights that is” after “any investigation”.

SEC. 402. ENFORCEMENT OF U.S.-JAPAN INSURANCE AGREEMENT.

(a) FINDINGS.—The Congress finds that—

(1) the Japanese insurance market has historically been closed to United States interests and investment;

(2) the terms of the U.S.-Japanese Insurance Agreement have begun the process of opening the Japanese insurance market to United States interests and investment; and

(3) failure to fully enforce the terms of the U.S.-Japanese Insurance Agreement will endanger the United States investments that have occurred and those which may occur in the future.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the United States Trade Representative should work diligently with

the Minister of Finance of Japan to fully enforce the terms of the U.S.-Japan Insurance Agreement so that Japanese insurance markets will continue to be open to United States investment and that existing and future United States investments in the Japanese insurance markets are protected.

(c) DEFINITION.—As used in this section, the term “U.S.-Japan Insurance Agreement” means the Measures by the Government of the United States and the Government of Japan Regarding Insurance, signed on October 11, 1994, as amended by the Supplementary Measures by the Government of the United States and the Government of Japan Regarding Insurance, signed on December 24, 1996.

SEC. 403. MARKING OF CONTAINERS FOR PERISHABLE AGRICULTURAL COMMODITIES.

(a) IN GENERAL.—Section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—

(1) by redesignating subsections (h), (i), (j), and (k) as subsections (i), (j), (k), and (l), respectively; and

(2) by inserting after subsection (g) the following new subsection:

“(h) MARKING OF CONTAINERS OF PERISHABLE AGRICULTURAL COMMODITIES.—

“(1) IN GENERAL.—The immediate container, as it ordinarily reaches the ultimate purchaser, of any perishable agricultural commodity excepted from the marking requirements of subsection (a) shall be marked in the manner required by subsection (a), unless an exception from the requirements of marking applies to such container under any subparagraph of subsection (a)(3) other than subparagraph (J).

“(2) DEFINITION.—For purposes of this subsection, the term ‘perishable agricultural commodity’ has the meaning given that term in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).”.

(b) CONFORMING AMENDMENT.—Section 304(j) of such Act, as redesignated by subsection (a)(1), is amended by striking “subsection (h)” and inserting “subsection (i)”.

(c) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the 120th day after the date of the enactment of this Act.

SEC. 404. MONITORING AND ENFORCEMENT OF SUSPENSION AGREEMENT.

The administering authority (as defined in section 771(1) of the Tariff Act of 1930) shall closely monitor and vigorously enforce the suspension agreement concerning fresh tomatoes from Mexico that was entered into on October 28, 1996, pursuant to section 734 of the Tariff Act of 1930. If the administering authority determines that the suspension agreement is being, or has been, violated, is no longer in the public interest as set forth in section 734(d) of that Act, or no longer meets the applicable requirements of section 734(c) or (d) of that Act, the administering authority shall immediately resume the antidumping investigation suspended by the agreement and take other action under section 734(i) of that Act. The administering authority shall establish a Rapid Response

Team to ensure full compliance with the agreement and speedy resolution of claims with respect to the agreement.

SEC. 405. REVIEW OF CONDITIONS ALONG UNITED STATES-MEXICAN BORDER.

(a) **TASK FORCE TO REVIEW CONDITIONS.**—The President shall establish a task force to review conditions along the United States-Mexican border relating to housing, labor, the environment, and other relevant issues as they relate to United States companies that are located along the border. The task force should determine the ways in which partnerships made up of public and private entities can improve conditions along the border.

(b) **REPORT TO CONGRESS.**—The President shall report to the Congress not later than 1 year after the date of the enactment of this Act on the results of the review under subsection (a).

