

110TH CONGRESS
2D SESSION

H. R. 5264

To extend certain trade preference programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

Mr. RANGEL introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To extend certain trade preference programs, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Trade Preference Ex-
5 tension Act of 2008”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) For more than 30 years, United States
9 trade preference programs, including title V of the
10 Trade Act of 1974 (relating to the Generalized Sys-
11 tem of Preferences or “GSP”), the Caribbean Basin

1 Economic Recovery Act (“CBERA”), and the Andean Trade Preference Act (“ATPA”), have played a
2 vital role in triggering sustainable economic growth
3 in developing countries, helping to spread the benefits of trade abroad, and advancing United States
4 trade policy goals.
5

6
7 (2) The eligibility requirements of GSP,
8 CBERA, and ATPA programs have also provided
9 important leverage to the United States to promote
10 improvements in beneficiary countries’ trade policies,
11 protection of intellectual property rights, and protection of internationally-recognized worker rights.
12

13 (3) The GSP program currently is scheduled to
14 expire on December 31, 2008. The benefits under
15 the CBERA program are currently scheduled to expire on September 30, 2008. The ATPA program is
16 currently scheduled to expire on February 29, 2008.
17

18 (4) It is important that the GSP, CBERA, and
19 ATPA programs are extended swiftly to ensure the
20 continuation of benefits that are critical to many developing countries and to provide United States
21 trading partners, as well as United States manufacturers and retailers, the continuity and predictability
22 necessary to make business and investment decisions
23 for the near and longer term future.
24
25

1 (5) An extension of the GSP, CBERA, and
2 ATPA programs until September 30, 2010, is appro-
3 priate in order to provide the necessary continuity
4 and predictability to affected parties and to align the
5 termination dates of the programs for ease of use
6 and administration.

7 (6) The extension of the GSP, CBERA, and
8 ATPA programs until September 30, 2010, will also
9 provide an opportunity for Congress to evaluate the
10 operation of the programs and make any necessary
11 changes to the programs and other trade preference
12 programs to ensure that the programs continue to
13 promote the interests of both United States workers,
14 farmers, and businesses and developing countries,
15 particularly least developed and low income devel-
16 oping countries, seeking to expand and improve their
17 economies through increased trade.

18 **SEC. 3. GENERALIZED SYSTEM OF PREFERENCES.**

19 (a) EXTENSION.—Section 505 of the Trade Act of
20 1974 (19 U.S.C. 2465) is amended by striking “December
21 31, 2008” and inserting “September 30, 2010”.

22 (b) LIMITS ON REVOKING WAIVERS OF COMPETITIVE
23 NEED LIMITATION.—Section 503(d)(4)(B) of the Trade
24 Act of 1974 (19 U.S.C. 2463(d)(4)(B)) is amended—

1 (1) in clause (ii), by striking “Not later than”
2 and inserting “Subject to clause (iii), not later
3 than”; and

4 (2) by adding at the end the following:

5 “(iii) The President may not revoke any
6 waiver pursuant to clause (ii) with respect to an
7 article unless the United States International
8 Trade Commission affirmatively determines
9 that—

10 “(I) revocation of the waiver will not
11 reduce the level of exports of the article
12 below the level of exports of the article en-
13 tered during the calendar year reviewed by
14 the President under clause (ii) from the
15 beneficiary developing country to the
16 United States; and

17 “(II) revocation of the waiver will not
18 benefit one or more countries that are not
19 designated as beneficiary developing coun-
20 tries for purposes of this title.”.

21 (c) REVIEW OF REVOKED WAIVERS OF COMPETITIVE
22 NEED LIMITATION.—Not later than 60 days after the
23 date of the enactment of this Act, the President shall—

24 (1) review any waiver of the application of sub-
25 section (c)(2) of section 503 of the Trade Act of

1 1974 (19 U.S.C. 2463) pursuant to subsection (d)
2 of such section with respect to any eligible article of
3 a beneficiary developing country that was revoked
4 pursuant to subsection (d)(4)(B)(ii) of such section;
5 and

6 (2) reinstate the waiver unless the United
7 States International Trade Commission affirmatively
8 determines that—

9 (A) revocation of the waiver will not reduce
10 the level of exports of the article below the level
11 of exports of the article entered during the cal-
12 endar year reviewed by the President under
13 subsection (d)(4)(B)(ii) of such section from
14 the beneficiary developing country to the United
15 States; and

16 (B) revocation of the waiver will not ben-
17 efit one or more countries that are not des-
18 ignated as beneficiary developing countries for
19 purposes of title V of the Trade Act of 1974
20 (19 U.S.C. 2461 et seq.).

21 (d) SENSE OF CONGRESS.—It is the sense of Con-
22 gress that—

23 (1) the gains from a prospective agreement re-
24 sulting from the World Trade Organization (WTO)
25 Doha Development Round would far outweigh any

1 preference erosion experienced by beneficiaries of
2 United States trade preference programs;

3 (2) studies by the World Bank, the Inter-
4 national Monetary Fund, and several private re-
5 searchers have consistently found that the overall
6 impact of preference erosion is limited and that the
7 benefits of Most-Favored-Nation (MFN) tariff re-
8 duction under the Doha Development Round far
9 outweigh any costs in the form of preference erosion;
10 and

11 (3) therefore, preference erosion should not be
12 used as a basis for not agreeing to a comprehensive
13 Doha Development Round agreement that will de-
14 liver significant new benefits to all WTO members.

15 **SEC. 4. CARIBBEAN BASIN ECONOMIC RECOVERY ACT.**

16 Section 213(b) of the Caribbean Basin Economic Re-
17 covery Act (19 U.S.C. 2703(b)) is amended—

18 (1) in paragraph (2)(A)—

19 (A) in clause (iii)—

20 (i) in subclause (II)(cc), by striking
21 “2008” and inserting “2010”; and

22 (ii) in subclause (IV)(dd), by striking
23 “2008” and inserting “2010”; and

24 (B) in clause (iv)(II), by striking “6” and
25 inserting “8”; and

1 (2) in paragraph (5)(D)—

2 (A) in clause (i), by striking “2008” and
3 inserting “2010”; and

4 (B) in clause (ii), by striking “108(b)(5)”
5 and inserting “section 108(b)(5)”.

6 **SEC. 5. ANDEAN TRADE PREFERENCE ACT.**

7 (a) EXTENSION.—Section 208(a) of the Andean
8 Trade Preference Act (19 U.S.C. 3206(a)) is amended by
9 striking “February 29, 2008” and inserting “September
10 30, 2010”.

11 (b) TREATMENT OF CERTAIN APPAREL ARTICLES.—
12 Section 204(b)(3) of the Andean Trade Preference Act
13 (19 U.S.C. 3203(b)(3)(B)) is amended—

14 (1) in subparagraph (B)—

15 (A) in clause (iii)—

16 (i) in subclause (II), by striking “5
17 succeeding 1-year periods” and inserting
18 “7 succeeding 1-year periods”; and

19 (ii) in subclause (III)(bb), by inserting
20 “and for each of the 2 succeeding 1-year
21 periods” after “for the 1-year period begin-
22 ning October 1, 2007”; and

23 (B) in clause (v)(II), by striking “4 suc-
24 ceeding 1-year periods” and inserting “6 suc-
25 ceeding 1-year periods”; and

1 (2) in subparagraph (E)(ii)(II), by striking
2 “December 31, 2006” and inserting “September 30,
3 2010”.

4 (c) SENSE OF CONGRESS.—It is the sense of Con-
5 gress that—

6 (1) the Andean Trade Preference Act
7 (“ATPA”) is a critical tool for promoting develop-
8 ment in Bolivia, Colombia, Ecuador, and Peru, and
9 provides important incentives for eligible beneficiary
10 countries to diversify their economies away from
11 narcotics;

12 (2) the eligibility criteria of the ATPA pro-
13 gram—set out in sections 203(c) and (d) and
14 204(b)(6)(B) of the Andean Trade Preference Act—
15 are a fundamental aspect of the program; and

16 (3) Bolivia, Colombia, Ecuador, and Peru
17 should fully and rigorously comply with the eligi-
18 bility criteria of the ATPA program and the United
19 States should carefully monitor compliance with the
20 eligibility criteria by these countries to ensure that
21 the eligibility criteria are being fully and rigorously
22 satisfied.

1 **SEC. 6. AFRICAN GROWTH AND OPPORTUNITY ACT.**

2 (a) IN GENERAL.—Section 112(c) of the African
3 Growth and Opportunity Act (19 U.S.C. 3721(c)) is
4 amended—

5 (1) in paragraph (1), by striking “, and subject
6 to paragraph (2),”;

7 (2) by striking paragraphs (2) and (3);

8 (3) by redesignating paragraph (4) as para-
9 graph (2); and

10 (4) by striking paragraph (5) and inserting the
11 following:

12 “(3) DEFINITION.—In this subsection, the term
13 ‘lesser developed beneficiary sub-Saharan African
14 country’ means—

15 “(A) a beneficiary sub-Saharan African
16 country that had a per capita gross national
17 product of less than \$1,500 in 1998, as meas-
18 ured by the International Bank for Reconstruc-
19 tion and Development;

20 “(B) Botswana;

21 “(C) Namibia; and

22 “(D) Mauritius.”

23 (b) APPLICABILITY.—

24 (1) IN GENERAL.—The amendments made by
25 subsection (a) apply to goods entered, or withdrawn

1 from warehouse for consumption, on or after the
2 15th day after the date of the enactment of this Act.

3 (2) RETROACTIVE APPLICATION.—Notwith-
4 standing section 514 of the Tariff Act of 1930 (19
5 U.S.C. 1514) or any other provision of law, upon
6 proper request filed with U.S. Customs and Border
7 Protection before the 90th day after the date of the
8 enactment of this Act, if—

9 (A) an entry, or withdrawal from ware-
10 house for consumption, of a good was made on
11 or after October 1, 2005, and before the 15th
12 day after the date of the enactment of this Act,
13 and

14 (B) there would have been no duty with re-
15 spect to such entry or withdrawal if the amend-
16 ments made by subsection (a) applied to such
17 entry or withdrawal,

18 such entry or withdrawal shall be liquidated or reliq-
19 uidated as if such amendments applied to such entry
20 or withdrawal.

21 (c) CLERICAL AMENDMENT.—Section 6002(a)(2)(B)
22 of Public Law 109–432 is amended by striking “(B) by
23 striking” and inserting “(B) in paragraph (3), by strik-
24 ing”.

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