



Committee On Finance

Max Baucus, Ranking Member

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NEW TRADE LEGISLATION WILL HELP U.S. EXPORTERS COMPETE, STRENGTHEN USTR ENFORCEMENT TO OPEN WORLD MARKETS

Legislation gives USTR more tools, makes Trade Representative more accountable for breaking down trade barriers; emphasizes Federal, state sovereignty in trade agreements

Washington, DC – New legislation introduced today by U.S. Senators Max Baucus (D-Mont.), Ranking Democrat on the Senate Finance Committee, Orrin Hatch (R-Utah), and Debbie Stabenow (D-Mich.) will give the U.S. Trade Representative more tools, more support and more funds to break down barriers to U.S. exports in markets worldwide. At a press conference this morning, Baucus and Hatch said that American businesses can find more success in the global marketplace, and create more jobs here at home, if the Federal government does its part to enforce trade agreements and keep world markets open to U.S. goods.

“I want American companies to get aggressive about getting their products and their people into foreign markets, to bolster the U.S. presence around the world and bring jobs and dollars back home. And when American companies embrace these new market opportunities, the American government needs to have their backs,” said Baucus. **“Improving enforcement of our trade agreements will allow American companies to play hard and win big in the global marketplace.”**

“It is well known in the Senate and in my home state of Utah that I have been a long-time advocate for free trade. Free trade not only opens the doors to greater economic opportunities for the American people but it also forges links between nations,” said Hatch. **“The vast majority of economists agree, free trade is in every nation’s long-term best interest. However, when your nation’s trade deficit is \$726 billion you cannot be timid in your response. Let me be clear, this legislation is not a knee-jerk reaction. The major premise of this bill is that existing laws and treaty obligations must be enforced. It creates a Chief Enforcement Officer in the Office of the Trade Representative to ensure that our trade laws are enforced.”**

The Trade Competitiveness Act of 2006 includes the following components:

- The bill requires USTR to work closely with Congress to prioritize and break down the biggest barriers to U.S. trade worldwide, providing a time frame and a list of options for taking action to enforce trade agreements.

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- The bill creates a Senate-confirmed Chief Trade Enforcement Officer at USTR, with a supporting Executive Branch task force that includes representatives from the Agriculture, Commerce, State and Treasury Departments. The Chief Enforcement Officer would be charged with investigating and advocating action on particular trade enforcement issues.
- The bill calls on the International Monetary Fund to more aggressively condemn currency manipulation for trade purposes.
- The bill requires the administration to consider federal and state sovereignty in negotiating, implementing, and enforcing trade agreements, and provides the sense of Congress that trade agreements should not lead to a loss of sovereignty.

“The United States is still a world economic leader in almost every way imaginable. But we need a bold agenda to maintain America’s economic leadership and preserve high-wage American jobs here at home,” said Baucus. **“A level playing field is the foundation of American competitiveness on trade, and this bill will help to provide it.”**

“The bill also addresses the issue of sovereignty. We absolutely cannot give up our right to govern within our own borders,” Hatch said. **“Our nation and states have laws for a reason and they represent the ideals and values we hold dear in our society. My constituents contact me on a constant basis to underscore their frustration with the gradual loss of U.S. sovereignty we are experiencing in international arenas. Local lawmakers from across the country are reaching out to us and asking for our help to ensure their local laws and authority remain intact as we enter into international trade agreements. This problem was the topic of a recent letter signed by 28 states Attorneys General, including Utah, requesting greater consultation between the U.S. Trade Representative and the states on issues affecting states’ rights. This bill directly addresses this matter by ensuring that the prevention of the loss of Federal and State sovereignty is considered during the negotiation, implementation and enforcement of our trade agreements.”**

The Trade Competitiveness Act of 2006 is the first in a series of bills from the Finance Committee’s Ranking Member designed to boost U.S. competitiveness and maintain America’s economic leadership in the world. In the coming weeks Baucus will introduce bills aimed at improving American education, research, energy, savings, tax, and health policy in ways that will keep our nation economically preeminent.

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