

Trade Promotion Authority

Problem

The Trade Promotion Authority (TPA) is a time-limited authority used by Congress to establish trade negotiating objectives, notification and consultation requirements. It also establishes procedures to consider implementing legislation for some reciprocal trade agreements, provided they meet certain requirements. The TPA was first enacted in 1974 and for the first twenty years of its existence it was continually in force. However, it lapsed between 1994 and 2002, and from 2007 to 2015. Currently it is authorized through July 1, 2021. Some key aspects of the TPA include:

- **Trade Agreements Authority:** the TPA gives President the authority to enter into reciprocal trade agreements. Congress must introduce implementing legislation for the agreement.
- **Proclamation Authority:** maintains authority for the President to negotiate tariff-only agreements within certain parameters without congressional approval.
- **Expedited Procedures:** mandatory introduction of the implementing bill, automatic discharge from the committees of jurisdiction, limited floor debate, and a simple majority vote.
- **Negotiating Objectives:** an agreement can be entered into only if it “makes progress” in achieving U.S. trade negotiating objectives.
- **Limitations:** the TPA’s goal is to streamline adapting trade agreements, however, to assure retention of its constitutional authority, Congress included time limits on the TPA, an option to disapprove and extension of those limits, as well as two options to deny expedited consideration of an implementing bill.

The TPA is a key part of a comprehensive strategy to increase exports, support American job growth and strengthen the manufacturing sector. Its reauthorization is necessary for the success of American companies.

Solution

The U.S. has the most open markets in the world, yet our products and services still face barriers abroad. The TPA provides the needed tools to knock down trade barriers that prevent American goods and services from being exported. The TPA should be swiftly reauthorized. There cannot be another lapse in its implementation.