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(Original Signature of Member)

110TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

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

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. RANGEL introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_  
\_\_\_\_\_

**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

1 Trade Act of 1974 (relating to the Generalized Sys-  
2 tem of Preferences or “GSP”), the Caribbean Basin  
3 Economic Recovery Act (“CBERA”), and the Andean  
4 Trade Preference Act (“ATPA”), have played a  
5 vital role in triggering sustainable economic growth  
6 in developing countries, helping to spread the bene-  
7 fits of trade abroad, and advancing United States  
8 trade policy goals.

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

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

20 (4) It is important that the GSP, CBERA, and  
21 ATPA programs are extended swiftly to ensure the  
22 continuation of benefits that are critical to many de-  
23 veloping countries and to provide United States  
24 trading partners, as well as United States manufac-  
25 turers and retailers, the continuity and predictability

1       necessary to make business and investment decisions  
2       for the near and longer term future.

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

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

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

21      (a) EXTENSION.—Section 505 of the Trade Act of  
22      1974 (19 U.S.C. 2465) is amended by striking “December  
23      31, 2008” and inserting “September 30, 2010”.

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

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

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

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

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

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

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

4           (1) review any waiver of the application of sub-  
5 section (c)(2) of section 503 of the Trade Act of  
6 1974 (19 U.S.C. 2463) pursuant to subsection (d)  
7 of such section with respect to any eligible article of  
8 a beneficiary developing country that was revoked  
9 pursuant to subsection (d)(4)(B)(ii) of such section;  
10 and

11          (2) reinstate the waiver unless the United  
12 States International Trade Commission affirmatively  
13 determines that—

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

21           (B) revocation of the waiver will not ben-  
22 efit one or more countries that are not des-  
23 ignated as beneficiary developing countries for  
24 purposes of title V of the Trade Act of 1974  
25 (19 U.S.C. 2461 et seq.).

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

3 (1) the gains from a prospective agreement re-  
4 sulting from the World Trade Organization (WTO)  
5 Doha Development Round would far outweigh any  
6 preference erosion experienced by beneficiaries of  
7 United States trade preference programs;

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

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

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

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

23 (1) in paragraph (2)(A)—

24 (A) in clause (iii)—

1 (i) in subclause (II)(cc), by striking  
2 “2008” and inserting “2010”; and  
3 (ii) in subclause (IV)(dd), by striking  
4 “2008” and inserting “2010”; and  
5 (B) in clause (iv)(II), by striking “6” and  
6 inserting “8”; and  
7 (2) in paragraph (5)(D)—  
8 (A) in clause (i), by striking “2008” and  
9 inserting “2010”; and  
10 (B) in clause (ii), by striking “108(b)(5)”  
11 and inserting “section 108(b)(5)”.

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

13 (a) EXTENSION.—Section 208(a) of the Andean  
14 Trade Preference Act (19 U.S.C. 3206(a)) is amended by  
15 striking “February 29, 2008” and inserting “September  
16 30, 2010”.

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

20 (1) in subparagraph (B)—

21 (A) in clause (iii)—

22 (i) in subclause (II), by striking “5  
23 succeeding 1-year periods” and inserting  
24 “7 succeeding 1-year periods”; and

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

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

8 (2) in subparagraph (E)(ii)(II), by striking  
9 “December 31, 2006” and inserting “September 30,  
10 2010”.

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

13 (1) the Andean Trade Preference Act  
14 (“ATPA”) is a critical tool for promoting develop-  
15 ment in Bolivia, Colombia, Ecuador, and Peru, and  
16 provides important incentives for eligible beneficiary  
17 countries to diversify their economies away from  
18 narcotics;

19 (2) the eligibility criteria of the ATPA pro-  
20 gram—set out in sections 203(c) and (d) and  
21 204(b)(6)(B) of the Andean Trade Preference Act—  
22 are a fundamental aspect of the program; and

23 (3) Bolivia, Colombia, Ecuador, and Peru  
24 should fully and rigorously comply with the eligi-  
25 bility criteria of the ATPA program and the United



1 States should carefully monitor compliance with the  
2 eligibility criteria by these countries to ensure that  
3 the eligibility criteria are being fully and rigorously  
4 satisfied.

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

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

9 (1) in paragraph (1), by striking “, and subject  
10 to paragraph (2),”;

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

12 (3) by redesignating paragraph (4) as para-  
13 graph (2); and

14 (4) by striking paragraph (5) and inserting the  
15 following:

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

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

24 “(B) Botswana;

25 “(C) Namibia; and

1 “(D) Mauritius.”.

2 (b) APPLICABILITY.—

3 (1) IN GENERAL.—The amendments made by  
4 subsection (a) apply to goods entered, or withdrawn  
5 from warehouse for consumption, on or after the  
6 15th day after the date of the enactment of this Act.

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

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

18 (B) there would have been no duty with re-  
19 spect to such entry or withdrawal if the amend-  
20 ments made by subsection (a) applied to such  
21 entry or withdrawal,  
22 such entry or withdrawal shall be liquidated or reliq-  
23 uidated as if such amendments applied to such entry  
24 or withdrawal.

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