



Legislative Bulletin.....July 26, 2001

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H.J.Res. 55—Disapproving the extension of the waiver authority contained in section 402(c) of the Trade Act of 1974 with respect to Vietnam.

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(Rohrabacher)**

Order of Business: The resolution is expected to be considered on Thursday, July 26, pursuant to unanimous consent. The resolution is not amendable except to add or subtract country names.

Summary: The resolution states that Congress does not approve the extension (with respect to Vietnam) of the presidential authority to waive for one year a nonmarket economy country's ineligibility for normal trade relations (i.e. nondiscriminatory trade treatment) and credit extensions because of restrictions on the freedom to emigrate. That is, this resolution would prevent President Bush from extending normal trade relations (NTR) to Vietnam for another year. (Such waiver authority for the President is contained in section 402(c) of the Trade Act of 1974.)

Additional Background: A bilateral agreement providing for reciprocal nondiscriminatory trade treatment between the United States and Vietnam was signed by both countries on July 13, 2000. However, Congress has not yet approved the agreement. Therefore, the President must grant a waiver for Vietnam to receive NTR treatment.

President Bush requested this extension of waiver authority from Congress on June 1, 2001, which would allow for NTR to continue with Vietnam, despite Vietnam's emigration and other restrictions on its people (what would otherwise disqualify a nonmarket economy nation from being granted NTR). If Congress does not pass a resolution of disapproval within 60 days after July 2 (the annual expiration date of NTR), the President's extension request automatically takes effect.

On Thursday, July 12, 2001, the Committee on Ways and Means by voice vote ordered this resolution adversely reported. This adverse reporting effectively supports the President's request to grant NTR for Vietnam from July 3, 2001 to July 2, 2002.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules? No, it would disapprove President Bush's request to extend NTR for Vietnam for another year.

Constitutional Authority: The House Committee on Ways & Means in Committee Report 107-154 finds constitutional authority for this resolution in Article I, Section 8, Clause 1 ("The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises...")

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