## Concur in the Senate Amendment to H.R. 1295— Trade Preferences Extension Act of 2015 (Rep. Holding, R-NC)

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FLOOR SCHEDULE: SCHEDULED FOR CONSIDERATION ON JUNE 25, 2015 UNDER A CLOSED RULE

**TOPLINE SUMMARY:** The most recent Senate amendment to H.R. 1295 would authorize **Trade Adjustment Assistance**, (TAA), which provides additional unemployment benefits and training assistance to workers who lose their jobs as a result of foreign competition. The Senate amendment would also authorize the **African Growth and Opportunity Act** (AGOA) to make changes regarding various trade preferences and extend the **Generalized System of Preferences** (GSP) until December 31, 2017. The bill also includes provisions on antidumping and countervailing duties.

COST: The Congressional Budget Office (CBO) the Joint Committee on Taxation (JCT) estimate that for the most recent Senate amendment to H.R. 1295 would reduce the deficit by \$52 million over the FY 2015 to 2025 period.

CONSERVATIVE CONCERNS: Some conservatives have expressed concern regarding Trade Adjustment Assistance (TAA). The RSC has previously expressed concerns over TAA during the last free trade agreement rounds in 2011 (RSC's Legislative Bulletin for the 2011 TAA). A Heritage Foundation report notes that TAA includes many duplicative functions already provided the Department of Labor's Dislocated According to the Government Accountability Office (GAO), more than 107,000 participants received benefits and services as established by the 2009 TAA, but little is yet known about their employment outcomes.

- **Expand the Federal Government?** No.
- Encroach into State or Local Authority? No.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

**DETAILED SUMMARY AND ANALYSIS:** Detailed analysis TAA, AGOA, GSP, and Antidumping and Countervailing Duty provisions can be found in RSC's legislative bulletins on <u>TAA</u>, on <u>AGOA and GSP</u> (including offsets), and in title V of the <u>Trade Facilitation and Trade Enforcement Act</u>).

## **OUTSIDE GROUPS IN OPPOSITION TO TAA:**

- Heritage Action
- Club for Growth (supported TPA)

**ADMINISTRATION POSITION:** No statement of administration policy is available.

**COMMITTEE ACTION:** Below is included where the major provisions of today's amendment originated.

- AGOA/GSP: The House Amendment to the Senate Amendment to H.R. 1295, the Trade Preferences Extension Act (AGOA/GSP) passed the Senate with an amendment on May 14, 2015 by a vote of 97 1. The bill (AGOA/GSP) passed the House by the yeas and nays: 397 32 on June 11, 2015.
- **TAA:** The Senate amendment to H.R. 1314—Trade Act of 2015, comprised of TPA and TAA was taken up on the floor of the House on June 12, 2015. The rule to the bill then divided it into three questions (TPA/TAA/offset). TAA (Title II of the Senate amendment to H.R. 1314) failed to pass by a vote of 126 302. TPA (preceding Title II) passed by a vote of 219 211.
- Customs: The Trade Facilitation and Trade Enforcement Act (which included title V of the amendment the House will consider today) was introduced on February 2, 2015 and was referred to the House Committee on Ways and Means. The bill was then passed by the House on February 12, 2015 by the yeas and nays: 279 137. The bill passed the Senate with an amendment to the title by yea-nay vote: 78 20. On June 20, the House then concurred with the amendment to the Senate amendment by a recorded vote of 240 -190.

**CONSTITUTIONAL AUTHORITY**: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18, which states "The Congress shall have Power To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof."

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