

A motion to reconsider was laid on the table.

EXTENDING PERMANENT NORMAL TRADE RELATIONS TO VIETNAM

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5602) to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Vietnam, as amended.

The Clerk read as follows:

H.R. 5602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress finds the following:

(1) In July 1995, President Bill Clinton announced the formal normalization of diplomatic relations between the United States and Vietnam.

(2) Vietnam has taken cooperative steps with the United States under the United States Joint POW/MIA Accounting Command (formerly the Joint Task Force-Full Accounting) established in 1992 by President George H.W. Bush to provide the fullest possible accounting of MIA and POW cases.

(3) In 2000, the United States and Vietnam concluded a bilateral trade agreement that included commitments on goods, services, intellectual property rights, and investment. The agreement was approved by joint resolution enacted pursuant to section 405(c) of the Trade Act of 1974 (19 U.S.C. 2435(c)), and entered into force in December 2001.

(4) Since 2001, normal trade relations treatment has consistently been extended to Vietnam pursuant to title IV of the Trade Act of 1974.

(5) Vietnam has undertaken significant market-based economic reforms, including the reduction of government subsidies, tariffs and nontariff barriers, and extensive legal reform. These measures have dramatically improved Vietnam's business and investment climate.

(6) Vietnam is in the process of acceding to the World Trade Organization. On May 31, 2006, the United States and Vietnam signed a comprehensive bilateral agreement providing greater market access for goods and services and other trade liberalizing commitments as part of the World Trade Organization accession process.

SEC. 2. TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO VIETNAM.

(a) PRESIDENTIAL DETERMINATIONS AND EXTENSION OF NON-DISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

(1) determine that such title should no longer apply to Vietnam; and

(2) after making a determination under paragraph (1) with respect to Vietnam, proclaim the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of that country.

(b) TERMINATION OF THE APPLICABILITY OF TITLE IV.—On and after the effective date of the extension of nondiscriminatory treatment to the products of Vietnam under subsection (a), title IV of the Trade Act of 1974 shall cease to apply to that country.

SEC. 3. PROCEDURE FOR DETERMINING PROHIBITED SUBSIDIES BY VIETNAM.

(a) AUTHORITY OF TRADE REPRESENTATIVE.—The Trade Representative may conduct proceedings under this section to determine whether the Government of Vietnam is providing, on or after the date on which

Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry, if such proceedings are begun, and consultations under section 4(a) are initiated, during the 1-year period beginning on the date on which Vietnam accedes to the World Trade Organization.

(b) PETITIONS.—

(1) FILING.—Any interested person may file a petition with the Trade Representative requesting that the Trade Representative make a determination under subsection (a). The petition shall set forth the allegations in support of the request.

(2) REVIEW BY TRADE REPRESENTATIVE.—The Trade Representative shall review the allegations in any petition filed under paragraph (1) and, not later than 20 days after the date on which the Trade Representative receives the petition, shall determine whether to initiate proceedings to make a determination under subsection (a).

(3) PROCEDURES.—

(A) DETERMINATION TO INITIATE PROCEEDINGS.—If the Trade Representative makes an affirmative determination under paragraph (2) with respect to a petition, the Trade Representative shall publish a summary of the petition in the Federal Register and notice of the initiation of proceedings under this section.

(B) DETERMINATION NOT TO INITIATE PROCEEDINGS.—If the Trade Representative determines not to initiate proceedings with respect to a petition, the Trade Representative shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of those reasons, in the Federal Register.

(c) INITIATION OF PROCEEDINGS BY OTHER MEANS.—If the Trade Representative determines, in the absence of a petition, that proceedings should be initiated under this section, the Trade Representative shall publish in the Federal Register that determination, together with the reasons therefor, and notice of the initiation of proceedings under this section.

SEC. 4. CONSULTATIONS UPON INITIATION OF INVESTIGATION.

If the Trade Representative initiates a proceeding under subsection (b)(3)(A) or (c) of section 3, the Trade Representative, on behalf of the United States, shall, on the day on which notice thereof is published under the applicable subsection, so notify the Government of Vietnam and request consultations with that government regarding the subsidy.

SEC. 5. PUBLIC PARTICIPATION AND CONSULTATION.

(a) PUBLIC PARTICIPATION.—In the notice published under subsection (b)(3)(A) or (c) of section 3, the Trade Representative shall provide an opportunity to the public for the presentation of views concerning the issues—

(1) within the 30-day period beginning on the date of the notice (or on a date after such period if agreed to by the petitioner), or

(2) at such other time if a timely request therefor is made by the petitioner or by any interested person, with a public hearing if requested by an interested person.

(b) CONSULTATION.—The Trade Representative shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and with the appropriate advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155), with respect to whether to initiate proceedings under section 3 and, if proceedings are conducted, with respect to making the determination under subsection (c).

(c) DETERMINATION.—After considering all comments submitted, and within 30 days

after the close of the comment period under subsection (a), the Trade Representative shall determine whether the Government of Vietnam is providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry. The Trade Representative shall publish that determination in the Federal Register, together with the justification for the determination.

(d) RECORD.—The Trade Representative shall make available to the public a complete record of all nonconfidential information presented in proceedings conducted under this section, together with a summary of confidential information so submitted.

SEC. 6. ARBITRATION AND IMPOSITION OF QUOTAS.

(a) ARBITRATION.—If, within 60 days after consultations are requested under section 4, in a case in which the Trade Representative makes an affirmative determination under section 5(c), the matter in dispute is not resolved, the Trade Representative shall request arbitration of the matter under the Dispute Settlement Understanding.

(b) IMPOSITION OF QUOTAS.—

(1) IN GENERAL.—The Trade Representative shall impose, for a period of not more than 1 year, the quantitative limitations described in paragraph (2) on textile and apparel products of Vietnam—

(A) if, pursuant to arbitration under subsection (a), the arbitrator determines that the Government of Vietnam is providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry; or

(B) if the arbitrator does not issue a decision within 120 days after the request for arbitration, in which case the limitations cease to be effective if the arbitrator, after such limitations are imposed, determines that the Government of Vietnam is not providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry.

(2) LIMITATIONS DESCRIBED.—The quantitative limitations referred to in paragraph (1) are those quantitative limitations that were in effect under the Bilateral Textile Agreement during the most recent full calendar year in which the Bilateral Textile Agreement was in effect.

(c) DETERMINATION OF COMPLIANCE.—If, after imposing quantitative limitations under subsection (b) because of a prohibited subsidy, the Trade Representative determines that the Government of Vietnam is not providing, on or after the date on which Vietnam accedes to the World Trade Organization, a prohibited subsidy to its textile or apparel industry, the quantitative limitations shall cease to be effective on the date on which that determination is made.

SEC. 7. DEFINITIONS.

In this Act:

(1) BILATERAL TEXTILE AGREEMENT.—The term "Bilateral Textile Agreement" means the Agreement Relating to Trade in Cotton, Wool, Man-Made Fiber, Non-Cotton Vegetable Fiber and Silk Blend Textiles and Textile Products Between the Governments of the United States of America and the Socialist Republic of Vietnam, entered into on July 17, 2003.

(2) DISPUTE SETTLEMENT UNDERSTANDING.—The term "Dispute Settlement Understanding" means the Understanding on Rules and Procedures Governing the Settlement of Disputes referred to in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(3) INTERESTED PERSON.—The term "interested person" includes, but is not limited to,