The AFL-CIO Opposes the Hatch-Wyden-Ryan "Fast Track 2015" Legislation (S. 995/H.R. 1890)

What is "Fast Track"?

The misnamed Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Fast Track 2015) is simply another reincarnation of prior, failed Fast Track policy. It gives the executive branch the opportunity to negotiate—in secret and out of public view—as many trade agreements as it can through June 30, 2018,¹ and send them to Congress, which may then *only* vote yes or no: it may not amend the agreement or its "implementing bill," nor may it send the agreement back to the executive branch with instructions for improvement. Under this bill, the House and the Senate must act on trade deals in 90 days or less; floor debate is strictly limited and Congress cannot delay or filibuster a deal, even if only to make sure it has sufficient time to study and understand the deal's likely effect on U.S. jobs and wages.

This bill fails to hold the executive branch accountable for achieving negotiating objectives, addressing the job-killing U.S. trade imbalance (which currently stands at \$505 billion) or ensuring that trade deals do not continue the current race to the bottom in terms of pay and benefits, workers' rights, environmental protections, access to affordable medicines, food safety rules or other vital protections for working families.

Fast Track 2015 (S. 995/H.R. 1890) *fails every criteria* for new trade negotiating authority set forth by working people in the document "<u>Time for a New Track</u>."

Does Fast Track 2015 "ensure that Congress approves trade agreement partners before negotiations begin"?

NO. Not only does Fast Track 2015 lack any mechanism whatsoever giving Congress the ability to approve or disapprove of negotiating partners once a president announces them, it grandfathers in Fast Track treatment for the Trans-Pacific Partnership (TPP) negotiations even though *at least four* TPP partners (Mexico, Vietnam, Brunei and Malaysia) are <u>far out of compliance</u> with international norms and standards regarding labor and human rights and one (Japan) has notoriously closed markets and a history of currency manipulation. This failure will only exacerbate the race to the bottom and make our trade deficit worse.

Does Fast Track 2015 "create negotiating objectives that are specific to the trade partners involved and advance a trade model that provides balanced, inclusive benefits rather than a corporate-rights agenda"?

NO. Fast Track 2015's generic negotiating objectives advance the same corporate-rights agenda as last year's Baucus-Camp Fast Track bill. Not only are the objectives not enforceable (see below), they are not specific to particular trading partners. Of 33 pages of objectives, just two sentences are different from last year's bill. Fast Track 2015 contains no new objectives to improve our trade balance, protect "Buy American" laws or ensure strong rules of origin—all things important to U.S. job creation—yet it retains destructive objectives that empower global businesses to fight for higher drug prices and challenge public interest laws. The highly touted (but unenforceable) new "human rights" clause doesn't contain actionable instructions for negotiators and will do nothing to prevent noncompliance with labor and human rights standards by trade partners, as has been the case with numerous existing partners (e.g., Colombia, Bahrain).

Does Fast Track 2015 "ensure that Congress, not the executive branch, determines whether congressional trade objectives have been met and whether agreements qualify for expedited consideration"?

NO. Fast Track 2015 still allows a president to "enter into" (i.e., sign) a trade agreement without Congress

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or any independent authority certifying that trade negotiating objectives have been achieved (see Sec. 5 (b)). Furthermore, a president can still send that completed trade agreement and implementing bill to Congress, where it will automatically qualify for Fast Track consideration without a preliminary certification vote. In short, the executive branch still grades its own performance.

Does Fast Track 2015 "ensure Congress has effective opportunities to strip expedited consideration provisions from trade deals that fail to meet congressional objectives or to incorporate congressional and public participation"?

NO. The so-called "new mechanism to remove expedited consideration" from a trade agreement is wholly within the control of the Ways and Means and Finance Committees, which are disproportionately populated with supporters of failed trade policies.² Moreover, the mechanism doesn't even kick in until *after* the Ways and Means or Finance Committee has voted to disapprove an agreement—an extremely unlikely event. Finally, the disapproval resolution, which would in theory strip expedited consideration, could be bottled up in the Rules Committee in the House³ and would require more votes in the Senate (60) than disapproval of the trade agreement itself (51). In short, Fast Track 2015 contains no effective opportunities to strip expedited consideration from a bad trade deal.

Does Fast Track 2015 "increase access to U.S. trade policy making, trade proposals and negotiating text for Congress, congressional staff and members of the public"?

NO. Fast Track 2015, at most, codifies USTR's current unacceptable practices. Fast Track 2015 contains *no new public access* to U.S. proposals or negotiating texts. It fails to ensure that all members of Congress and their staff have equal and meaningful access to negotiating documents. Under Fast Track 2015, USTR could still prevent members of Congress from having their own copies of the developing trade agreements or even taking notes on what they read in "secure reading rooms." Fast Track 2015 does not help increase congressional accountability for trade policy that works for working people.

Is Fast Track 2015 "part of a larger trade and competitiveness package that addresses shortcomings in existing trade enforcement and remedies and provides complementary domestic economic policies (like infrastructure investment and education and skills training) that will help ensure that all can benefit from trade, not just a few"?

NO. Fast Track 2015 is *not* part of a large package that will ensure working people can benefit from trade deals. For example, it contains no provisions boosting investment in vital trade-related infrastructure, such as rail, roads, ports and airports; no new funding for Customs and Border Protection to ensure trade cheats and unsafe goods are caught at the border; no provisions ensuring that the executive branch can treat currency manipulation as a countervailable subsidy (such as S. 433, the Currency Undervaluation Investigation Act); no new education funding to make sure our workforce is prepared for the jobs of the future; and no provisions eliminating tax incentives to off-shore jobs. Fast Track 2015 would make sure that trade deals can advance before America has done the necessary homework to ensure we are ready for an influx of new imports. There isn't even any assurance that the TAA program, which trains workers hurt by bad trade deals for new careers, will be renewed.⁴ **Fast Track 2015 leaves working people behind—again.**

In sum, Fast Track 2015 doesn't live up to its promises. America's working families cannot afford more trade policy made by and for global corporations and economic elites—trade policy that does nothing more than shrink our paychecks and make it less likely that our children can climb the ladder of success. Please oppose Fast Track 2015!

Endnotes

3 If the Ways and Means Committee fails to report such a resolution, it is discharged from further consideration, but the Rules Committee is not. 4 Read the AFL-CIO's minimum criteria for TAA renewal here: <u>https://www.politicopro.com/f/?f=36896&inb</u>.

¹ The Fast Track term would almost certainly be extended to July 1, 2021, under Sec. (3)(c) of the legislation, which gives the Ways and Means and Finance Committee the power to kill any extension disapproval resolution in committee.

² On March 25, 2015, AFL-CIO President Richard Trumka wrote to U.S. senators explaining that such a "fig leaf" mechanism would be ineffective and therefore unacceptable.