

U.S. TRADE LEGISLATION PROPOSALS
100th CONGRESS

Revised
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Page 14

SUBJECT	CURRENT LAW	HOUSE "Trade and International Economic Policy Reform Act of 1987" (HR3) [passed April 30, 1987]	SENATE "Omnibus Trade and Competitiveness Act of 1987" / [H.R.3(S.1420)] [passed July 21, 1987]	ADMIN POSITION	CDN POSITION
1. Quota Auction	Authorized by Section 1102 of Trade Agreements Act but not required.	Mandatory if ITC recommends quantitative restriction as remedy and determines that it would not have undesirable economic results.	Establishes pilot program for quota auctioning for next 3 cases if quotas are imposed under Section 201. Unless President determines that action would cause retaliation, cost of administration of auction would outweigh revenues or auction, could not be administered without giving one competitor undue market power.	Already has ample authority.	Canada concerned with implications of implementation. Have requested consultations if passed.
J. Duration	Relief for maximum of five years, to be extended for not more than three years.	Retains current law.	Relief for maximum of ten years (degressive).	Extension would undercut temporary nature of import relief.	Concern with extension of period for import relief.
2. National Security Safeguards (Section 232)					
A. Time Limits					
(I) Commerce	No time limit for Presidential action.	Secretary of Commerce to report to President within nine months of initiation of investigation.	Secretary of Commerce to report to President within six months of initiation of investigation.		
(II) President	No time limit for Presidential action.	President to decide whether to take action within 90 days of Commerce report.	President to decide whether to take action within 90 days of Commerce report.	Constrains flexibility and could complicate negotiations.	
B. Machine Tool VRA's	No provision.	Authorizes Commerce to request Treasury to enforce VRA's on machine tools negotiated as result of Section 232 action.	Authorizes President to enforce VRA's on machine tools negotiated as result of Section 232 action.		