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## In Letters to Obama, 151 House Democrats, Bloc of GOP Announce Opposition to 'Fast Track' Trade Authority

Mounting Concerns About Possible Trans-Pacific Partnership Unite Members Across Party Lines Against Abdicating Congressional Authority Over Trade

WASHINGTON, D.C. – A <u>letter sent today</u> to President Barack Obama opposing Fast Track authority, signed by 151 House Democrats, signals the end of a controversial Nixon-era procedure used to railroad contentious trade pacts through Congress. Obama has asked Congress to delegate to him its constitutional trade authority via Fast Track for the Trans-Pacific Partnership (TPP) and other pacts.

The signers of the letter show the breadth and depth of Democratic House opposition to Fast Track. Signers include:

- 18 of 21 full committee ranking members and 72 subcommittee ranking members;
- Leadership members including Assistant Democratic Leader Jim Clyburn; Democratic Congressional Campaign Committee Chair Steve Israel; Steering and Policy Committee Co-Chairs Rosa DeLauro and Rob Andrews; and 35 of 48 Democratic Steering and Policy Committee members;
- 19 of the short list of Democrats who voted for the 2011 U.S.-Korea Free Trade Agreement;
- 26 of the 51 members of the New Democrat Coalition, and 8 of the 14 members of the Blue Dog Coalition; and
- 36 of 42 House members of the Congressional Black Caucus, and 13 of 19 House members of the Congressional Hispanic Caucus

On Tuesday, 25 House Republicans members announced their opposition to Fast Track, and most Democratic Ways and Means Committee members joined a letter noting that the old Fast Track process enjoys little support. Even prominent supporters of past trade agreements who did not sign these letters recently have voiced their opposition to Fast Track.

"These letters make clear that Fast Track is history," said Lori Wallach, director of Public Citizen's Global Trade Watch. "When Nixon cooked up this scheme 40 years ago, trade pacts covered only tariffs. Now, deals like the TPP could rewrite wide swaths of U.S. policy, currently under the control of Congress, from food safety and financial regulation to Buy American procurement to energy policy."

Fast Track delegated to the executive branch authorities the Constitution explicitly gives Congress. Fast Track let the executive branch unilaterally select trade partners, set agreements' terms and sign them before Congress even voted. Then the executive branch could write implementing legislation, skirting committee review and amendment. This legislation could be directly submitted for votes, with congressional leaders' control of House and Senate floor schedules overridden. Votes could be forced within 60 days in the House and an additional 30 days in the Senate. Normal voting rules were waived, with all amendments banned and only 20 hours of debate. Unlike all past trade authorities, which covered only tariffs, Fast Track allowed the executive branch to "diplomatically legislate," using trade agreements to set policy on non-trade matters.

"Polls show that opposition to more-of-the same trade deals is one of the few issues that unite Americans across party lines," said Wallach. "It's not really surprising that there is bipartisan congressional opposition to Fast Track."

Fast Track has been used only 16 times, although hundreds of U.S. trade agreements have been implemented since the mid-1970s. These have included the most controversial pacts such as the North American Free Trade Agreement (NAFTA) and the agreement that created the World Trade Organization (WTO). The U.S. has a large and growing trade deficit with countries involved in past U.S. fast-tracked Free Trade Agreements (FTAs). U.S. export growth is 38 percent faster with countries with which we do not have FTAs relative to those with which we have FTAs.

Also fueling congressional opposition to Fast Track is the abysmal outcome of the Obama administration's only major trade pact to date, the U.S.-Korea FTA, which is the template for the TPP. In contrast to Obama's promises that the Korea deal would boost exports, in the agreement's first year, U.S. exports to Korea fell 10 percent, imports from Korea rose and the U.S. trade deficit with Korea exploded by 37 percent. This equates to a net loss of approximately 40,000 U.S. jobs.

Opposition to Fast Track has been growing in Congress since the time of NAFTA and the WTO. The 1991 Fast Track grant passed in the House by a 27-vote margin. President Bill Clinton never was able to obtain Fast Track again after that grant expired. Clinton had Fast Track authority for only two of his eight years in office, and in 1998, the House explicitly rejected his request, with 171 Democratic and 71 GOP opposing Fast Track. President George W. Bush then spent two years and enormous political capital to pass Fast Track in 2002 by two votes. That delegation of Fast Track expired in 2007, and Congress rebuffed Bush's request for an extension.

In 2008, candidate Obama promised to replace Fast Track with a more inclusive process. Historically, a new system of trade authority delegation has been created every few decades since 1890. But in recent months, Obama has ramped up his demand that Congress once again cede its constitutional trade authority via Fast Track.

"Fast Track is outdated 1970s technology being applied to 21st century realities, which is causing serious damage," said Wallach. "It enables agreements that offshore U.S. jobs and expose our consumer and environmental laws to attack and rollback."

Already a decade ago, one of Congress' most ardent free traders, the late U.S. Rep. Robert Matsui (D-Calif.), who led the Democratic House effort to pass NAFTA, described why Fast Track was unacceptable:

"Trade is no longer primarily about tariffs and quotas. It's about changing domestic laws. The constitutional authority to make law is at the heart of our role as a Congress and of our sovereignty as a nation. When international trade negotiators sit down to hammer out agreements, they are talking about harmonizing 'non-tariff barriers to trade' that may include everything from antitrust laws to food safety. I believe the President and the USTR should be able to negotiate trade deals as efficiently as possible ... But that does not mean that Congress must concede to the Executive Branch its constitutional authority over foreign commerce and domestic law without adequate assurances that Congress will be an active participant in the process. Congress should be a partner, not a mere spectator or occasional consultant to the process. ... Think about what may be bargained away at the negotiating table: our own domestic environmental protections ... food safety laws ... competition policies. That's the air we breathe, the food our children eat, and the way Americans do business... The nature of trade has changed, and Fast Track authority must change with it. I ardently believe in the principles of free trade. But I will not put my constitutional authority over domestic law and my responsibility to my own constituents on a fast track to the executive branch." (Rep. Robert Matsui (D-Calif.), Congressional Record, 147, 12/6/01, at H9025.

Prior to Fast Track and starting with Franklin Roosevelt's presidency, Congress gave Tariff Proclamation Authority to presidents. But it covered only tariffs, not the broad subject matter included under Fast Track. The mechanism allowed the executive branch to implement reciprocal tariff cuts only within bounds set by Congress. Prior to that, trade agreements were often approved as treaties by the Senate, with both chambers later also required to pass implementing legislation. Public Citizen's 2013 book, "The Rise and Fall of Fast Track Trade Authority," provides an in-depth history of U.S. trade authority.

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