#### NAFTA 2.0's long road to completion

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# The Trump administration must meet a series of statutory deadlines to get NAFTA 2.0 passed through Congress. How far along are they?

President Donald Trump has pledged since the early days of his campaign to rewrite NAFTA and to get it done as quickly as possible.

But it's no small task. While negotiations among the three countries wrapped up Sept. 30, U.S. administration officials are now tasked with working with Congress to adhere to a series of strict statutory guidelines. Following those rules, laid out under the Trade Promotion Authority law, allows the president to submit the final deal to Congress for a straight up-or-down vote without any amendments, greatly increasing the chances of quick passage.

Here's a closer look at the steps the administration has taken, how far they have left to go — and whether they still have any chance of passing a deal through the current Congress.

till end of congressional session **Negotiation** Done

### 90-day notification of intent to begin negotiations

The administration's first step was to formally notify Congress of its plan to launch the renegotiation with Canada and Mexico. U.S. Trade Representative Robert Lighthizer first met with four congressional committees — Senate Finance, House Ways and Means, and an advisory group from each chamber — before the formal letter was sent to Capitol Hill on May 18, 2017.

#### **Negotiations begin**

The administration formally opened the renegotiation on the first day possible — Aug. 16, exactly 90 days after sending Congress formal notification of its intent to do so. The three parties met in Washington for five days of talks that exposed deep differences among the countries on their goals for the renegotiation.

### 180-day notification of potential changes to U.S. trade remedy laws

The trade office took a step toward paving the way for a vote on an updated deal in early 2018 when it formally notified Congress on Sept. 24, 2017, that it expected changes to U.S. trade remedy laws would be needed. That step is required 180 days

before any agreement can be signed, so the notice indicated the administration at that point hoped it could sign a deal as early as March 22, 2018.

# Negotiations ongoing

Negotiators from the three countries met regularly since talks began. The U.S. and Mexico said on Aug. 27 that they have reached a breakthrough on their specific issues. Canada and the US wrapped up talks on Sept. 30.

# 90-day notification of intent to sign agreement

The Trump administration formally notified Congress on Aug. 31 that it plans to sign a new free trade agreement in late November with Mexico, and that Canada will be part of the deal if some outstanding issues are ultimately resolved.

### Negotiations conclude

Negotiations among the three countries wrapped up late at night on Sept. 30 after the U.S. and Canada agreed on crucial compromises that cleared a path forward for a three-way deal.

### We are here

# 60 days prior to signing, release of agreement text

The Office of the U.S. Trade Representative released text of the three-way deal late on Sept. 30, which is available here.

# 30 days after notification of intention to sign, submission of Advisory Committee reports

Trade Promotion Authority calls for the formation of a handful of advisory groups composed of representatives from state and local governments, agriculture and other industries, and other stakeholders. These groups are meant to help ensure that private and public stakeholders have a say in trade policy. Reports were made public on Sept. 30 on the U.S.-Mexico agreement but it is unclear whether these reports will be updated with details from the Canada agreement.

# Reporting and mock markup

# Agreement signed

# 60 days after agreement is signed, list of required changes in law due

The administration will have up to 60 calendar days after the agreement is signed to submit a list of changes to U.S. law that will be needed for the deal to take effect.

# 105 days after agreement is signed, U.S. ITC report due

The U.S. International Trade Commission is required to complete a report assessing the agreement's potential economic impact, which must be made public. This is one of the most flexible requirements outlined under TPA: The ITC has up to 105 days after the agreement is signed to submit its report, but it may do so sooner. Some experts think the ITC can begin its analysis before the agreement is signed because the president is required to submit to the commission details of the proposed deal 90 days before signing.

# 30 days prior to implementing legislation, final text and draft SAA submitted

The administration must submit to Congress the final text of the implementing legislation and a draft Statement of Administrative Action 30 days before the bill is formally introduced.

# Mock markups (optional, no time schedule)

The Senate Finance Committee and House Ways and Means Committee may provide advice to the administration on the contents of the implementing bill by holding hearings and a mock conference on the draft version. Though not required by statute, the advisory process is generally used as a way for Congress to communicate its preferences to the administration before the formal bill is put forward.

# Congressional consideration and implementation

### Could take 45 days

### Implementing bill introduced in House and Senate

Ways and Means and Senate Finance may take up to 45 days in session to report the bill back to the floor. They can neither amend it nor recommend amendments. If they do not report the bill after 45 session days, it will be automatically discharged to the floor.

### Could take 15 days

### House Ways and Means must report bill

Because most trade agreements affect tariffs, the implementing bill will be considered a revenue bill, which requires the House to act first.

### Could take 15 days

House must vote on bill

Any member of the House may call the bill up for consideration, and then debate will be limited to 20 hours. The bill needs support from a majority of members voting to pass, at which point it will go to the Senate.

# Could take 15 days

# Senate Finance Committee must report bill

The Senate Finance Committee will have up to 15 session days to consider the House bill before it is discharged.

### Senate must vote on bill

Because neither chamber is allowed to add amendments to the bill, the version the Senate has received from the House will be identical to the one the Senate received initially. Any senator may then call up the bill for consideration without waiting for action from the majority leader. Debate is again limited to 20 hours, and the bill can pass with support from a majority of members voting.

# Bill signed into public law

# President implements agreement by proclamation

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