

116TH CONGRESS  
2D SESSION

# S. 4008

To amend the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 to require that any trade agreement subject to expedited procedures under that Act contain certain requirements relating to the origination of goods in nonmarket economy countries.

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IN THE SENATE OF THE UNITED STATES

JUNE 18, 2020

Mr. CASEY introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 to require that any trade agreement subject to expedited procedures under that Act contain certain requirements relating to the origination of goods in nonmarket economy countries.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Market Economy  
5 Sourcing Act”.

1 **SEC. 2. LIMITATION ON TRADE AUTHORITIES PROCEDURES**  
2 **RELATING TO REQUIREMENTS ON CONTENT**  
3 **OF GOODS FROM NONMARKET ECONOMY**  
4 **COUNTRIES.**

5 Section 106(b) of the Bipartisan Congressional Trade  
6 Priorities and Accountability Act of 2015 (19 U.S.C.  
7 4205(b)) is amended by adding at the end the following:

8 “(7) LIMITATIONS ON PROCEDURES RELATING  
9 TO ORIGINATION OF CONTENT OF GOODS FROM NON-  
10 MARKET ECONOMY COUNTRIES.—

11 “(A) IN GENERAL.—The trade authorities  
12 procedures shall not apply to an implementing  
13 bill submitted with respect to a trade agreement  
14 or trade agreements entered into under section  
15 103(b) unless the rules of origin requirements  
16 under such agreement or agreements—

17 “(i) with respect to rules of origin  
18 based on value content of a good, require  
19 that, of the content of a good qualifying  
20 for preferential treatment under the agree-  
21 ment or agreements that does not originate  
22 (as specified in those rules) in a country  
23 that is party to the agreement or agree-  
24 ments—

25 “(I) during the 5-year period fol-  
26 lowing the entry into force of the

1 agreement or agreements, not more  
2 than 20 percent of that content may  
3 originate in a nonmarket economy  
4 country; and

5 “(II) after the period specified in  
6 clause (i), not more than 10 percent  
7 of that content may originate in a  
8 nonmarket economy country; and

9 “(ii) with respect to rules of origin  
10 that are not based on value content of a  
11 good, are consistent with the requirements  
12 under clause (i) based on processing re-  
13 quirements or tariff shifts as opposed to  
14 value content.

15 “(B) NONMARKET ECONOMY COUNTRY DE-  
16 FINED.—In this paragraph, the term ‘non-  
17 market economy country’ has the meaning  
18 given that term in section 771(18) of the Tariff  
19 Act of 1930 (19 U.S.C. 1677(18)).”.

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