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### **Hatch Statement at Finance Committee Hearing Examining the Administration's Trade Policy Agenda**

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, today delivered the following opening statement at a committee hearing examining Obama Administration's 2014 trade policy agenda:

*Thank you, Mr. Chairman, for holding this hearing. And thank you, Ambassador Froman, for being here today.*

*As you know, we hoped to hear from you over three months ago when the Committee held a hearing on the importance of Trade Promotion Authority. While I am still disappointed that you declined my invitation to participate in that hearing, I am glad you are able to be here with us today.*

*President Obama's trade agenda is extremely ambitious.*

*If it succeeds, it will help shape global trade patterns for decades to come.*

*If it fails, it will result in billions of dollars of missed economic opportunity for American workers and job-creators.*

*Of course, the President's term is not yet over and the jury is still very much out. Even so, I am concerned.*

*First and foremost, the fact that Trade Promotion Authority, or TPA, is not renewed creates a serious, and perhaps fatal, flaw in the President's trade agenda.*

*I do not believe you can conclude high-standard agreements that will meet Congress' approval without TPA. And, I am not the only one who holds this view.*

*Indeed, in recent months, administration officials like Agriculture Secretary Tom Vilsack and Jason Furman, Chairman of the Council of Economic Advisors, have been quoted as saying that TPA is a necessary component to conclude and implement our ongoing trade negotiations.*

*Ambassador Froman, I have no doubt in your capabilities or those of your staff, but history tells us very clearly that, without TPA, your trade agenda will almost certainly fail. That is why I am very disappointed in the President's passive approach on this issue.*

*I am sure you can remember the enormous political effort President Clinton put into successful implementation of the North American Free Trade Agreement. And I am sure you can also recall President Bush's total political commitment to renewing TPA in 2002. In those cases, war rooms were established and each cabinet secretary made congressional approval of those initiatives a public priority.*

*Put simply, we are not seeing that level of commitment from President Obama, which is disappointing. And, without more effort on the part of the administration, I don't think we can succeed.*

*In addition, I am concerned about the President's enforcement record.*

*Despite a myriad of clear violations, we have yet to see a single case brought against Russia in the World Trade Organization. This is the case despite the fact that the administration told Congress during consideration of PNTR that one of the major benefits to having Russia in the WTO would be our ability to bring them to dispute settlement.*

*I am also profoundly disappointed that the President refuses to bring a WTO case against India for its continuing efforts to undermine U.S. intellectual property rights.*

*This failure to act with regard to India exemplifies a pattern of corrosive neglect within this administration when it comes to enforcing American intellectual property rights.*

*Countries around the world are taking note of the President's failure to act in this area, and this is feeding the perception that they can refuse to protect, and even actively violate, U.S. intellectual property rights with impunity.*

*Finally, I am deeply concerned about the Office of the U.S. Trade Representative as an institution.*

*Ambassador Froman, I sincerely appreciate the hard work and dedication of you and your staff. I am also deeply impressed by the caliber of your agency's career staff and their personal commitment to the work of the USTR. Yet, despite your best efforts, the agency still ranks dead last in employee job satisfaction among small agencies.*

*Part of the problem is USTR's failure to effectively play its traditional role as a bulwark against other federal agencies. Too often during the inter-agency process, regulatory agencies are just saying no to cooperative participation in international trade negotiations.*

*For example, it was the Department of Health and Human Services that alleged the need for so-called “policy space” resulting in USTR’s proposal to simply carve out tobacco products from the Trans-Pacific Partnership negotiations.*

*It was the Department of Treasury’s insistence on relegating financial services discussion to pre-existing forums that resulted in USTR’s position that financial services should be carved out of our trade negotiations with the European Union.*

*And, despite the strong support of U.S. agricultural and food processor groups for a fully enforceable sanitary and phyto-sanitary chapter in TPP, it was the Food and Drug Administration’s fear of dispute settlement that resulted in a weaker USTR proposal which excludes certain disciplines from dispute settlement.*

*There is a clear pattern here.*

*If this does not change, I am worried that any agreement this Administration negotiates will never match the President’s rhetoric of concluding high-standard 21st Century agreements.*

*Of course, the history of this Administration’s trade agenda has yet to be written and there is still time to correct course.*

*But, make no mistake, that time is limited.*

*I want to help. That is why I worked with my House and Senate colleagues for almost a year to negotiate the Bipartisan Congressional Trade Priorities Act, a balanced bipartisan compromise which will empower our country to negotiate high-standard agreements that will get the approval of Congress.*

*Over 160 leading business and agriculture associations and companies have come out in strong support of this legislation. Like them, I strongly believe that approval of our TPA legislation will help our nation succeed in its ambitious trade negotiations.*

*That being the case, I am asking once again that the President redouble his efforts and help us get this legislation signed into law as soon as possible. The political clock is ticking and it won’t be long until we will lose the small window we have to pass significant trade legislation this year.*

*Ambassador Froman, I look forward your testimony today and to working with you to achieve successful conclusion of a strong, pro-growth trade agenda.*

*Thank you, once again, Mr. Chairman.*

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