

Presidential Trade Transparency Act of 2017

The Presidential Trade Transparency Act of 2017 would establish new reporting requirements directing the President to disclose foreign income, assets, and liabilities when initiating or continuing trade or investment negotiations with a foreign country, taking or refraining to take certain trade enforcement actions, or granting or modifying preferential tariff treatment under statutory trade preference programs. Each of these decisions may have significant commercial implications, both as to a foreign country's economy as a whole, and with respect to particular investments within a foreign country. Given the complexity and lack of transparency with respect to the President's finances, additional country specific reporting is necessary for Congress to properly exercise its oversight responsibilities and assess whether the authority it has granted to the President is the subject of undue influence due to a business relationship between the President and one or more foreign entities. Reporting of this information will also help address questions regarding improper influence by foreign entities when the President exercises trade authorities granted by Congress.

Under the Constitution, Congress is responsible for regulating foreign commerce, including setting U.S. tariff rates applicable to imports from foreign countries. However, Congress has granted the President limited authority to modify U.S. tariffs in certain circumstances, including to enforce U.S. laws protecting U.S. industry from harmful trade or to address foreign trade barriers, to negotiate trade agreements that eliminate foreign barriers to U.S. exports, and to grant developing countries preferential access to the U.S. market.

In many instances, the President himself is granted this authority, and does not exercise it through a Cabinet official. While Congress has granted such authority to the President, it retains the responsibility to ensure that the President uses the authority in a manner consistent with Congressional objectives.

The bill directs the President to report to Congress information regarding foreign income, assets, and liabilities, consistent with the information required to be disclosed under the Ethics in Government Act, specifically as to any country that is the subject of a trade negotiation, trade enforcement action (or inaction), or decision to grant or deny tariff preferences, and to describe in detail the nature of the connection between the income, asset, or liability and the foreign country. The bill specifies deadlines for disclosure of the information with respect to each action that generally track existing deadlines for Presidential reporting under U.S. law.

Failure to timely submit a report would render without legal effect a Presidential proclamation modifying U.S. tariffs with respect to the country and, with respect to a trade agreement, would disqualify the agreement from eligibility for expedited consideration under trade promotion authority.