

117TH CONGRESS  
1ST SESSION

# H. R. 3788

To establish limitations on modifications to trade agreements, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2021

Mr. NUNES introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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# A BILL

To establish limitations on modifications to trade agreements, and for other purposes.

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 “Protecting American  
5 Innovation Act”.

**6 SEC. 2. FINDINGS.**

7       Congress finds the following:

8           (1) Section 8 of article I of the United States  
9           Constitution provides Congress with authority over

1 international trade. Congress has used that authority  
2 to approve a number of trade agreements, including  
3 the WTO Agreement.

4 (2) Section 8 of article I of the United States  
5 Constitution provides Congress with authority to  
6 provide intellectual property protections in order to  
7 “promote the progress of science and useful arts”.  
8 People in the United States rely on those protections  
9 to support jobs and continue the highly successful  
10 leadership of the United States with respect to innovation.

12 (3) The United States may not withdraw or  
13 otherwise alter the rights and obligations for the  
14 United States arising from a congressionally ap-  
15 proved trade agreement without the consent of Con-  
16 gress.

17 (4) The United States is a global leader in con-  
18 taining and ending the COVID–19 pandemic.

19 (5) Innovators in the United States successfully  
20 and rapidly brought to fruition vaccines that provide  
21 highly effective protection against COVID–19. At fa-  
22 cilities across the United States, thousands of  
23 United States workers are working around the clock  
24 to manufacture COVID–19 vaccines, contributing to  
25 the rapid, global scale up of manufacturing that is

1       expected to reach at least 10,000,000,000 doses by  
2       the end of 2021.

3                 (6) The United States is a founding member of  
4       the World Trade Organization. The United States  
5       has secured and supported critical commitments in  
6       the WTO for protection of intellectual property of  
7       United States persons and globally, including under  
8       the Trade-Related Aspects of Intellectual Property  
9       Rights Agreement or the TRIPS Agreement.

10                (7) In implementing the Uruguay Round, Con-  
11       gress established under section 315 of the Uruguay  
12       Round Agreements Act (19 U.S.C. 3581) that it is  
13       the objective of the United States to “accelerate the  
14       implementation” of the TRIPS Agreement and to  
15       “seek enactment and effective implementation by  
16       foreign countries of laws to protect and enforce in-  
17       tellectual property rights that supplement and  
18       strengthen the standards” of the TRIPS Agreement.

19                (8) Longstanding intellectual property protec-  
20       tions are critical to efforts by the United States and  
21       the biopharmaceutical industry to develop and man-  
22       ufacture vaccines for both people in the United  
23       States and around the world.

24                (9) The United States is committed to pro-  
25       viding global access to COVID–19 vaccines.

1                         (10) In order to accelerate production and dis-  
2 tribution of COVID–19 vaccines, biopharmaceutical  
3 manufacturers in the United States are collaborating  
4 at a scale that previously was unimaginable, includ-  
5 ing by entering into hundreds of voluntary manufac-  
6 turing, production, and other partnerships around  
7 the world.

8                         (11) Manufacturing each of the COVID–19  
9 vaccines involves highly specialized and unique infra-  
10 structure and equipment, as well as highly trained  
11 and experienced personnel. Manufacturing and dis-  
12 tributing safe and effective COVID–19 vaccines on  
13 a global scale is incredibly challenging. Many experts  
14 on vaccine production and distribution are warning  
15 that waiving intellectual property protections will un-  
16 dermine the global response to the COVID–19 pan-  
17 demic and compromise vaccine safety, including by  
18 disrupting the distribution of scarce raw materials  
19 for vaccines that existing vaccine makers with prov-  
20 en track records for delivering high-quality, safe,  
21 and effective vaccines need to continue their own  
22 production.

23                         (12) The United States Trade Representative  
24 announced without any consultation with Congress  
25 that the United States will support a waiver of intel-

1       lectual property protections under the TRIPS Agree-  
2       ment for COVID–19 vaccines. That decision is not  
3       consistent with the intellectual property negotiating  
4       objectives of the United States set forth in section  
5       315 of the Uruguay Round Agreements Act (19  
6       U.S.C. 3581).

7                 (13) That waiver announcement created confu-  
8        sion, and raised concerns that a successful effort to  
9        suspend protections will weaken already strained  
10      supply chains and foster the proliferation of ineffec-  
11      tive and potentially dangerous vaccines.

12                (14) The Trade Representative has not ex-  
13       plained how a waiver of the TRIPS Agreement will  
14       expand vaccine production and access, particularly  
15       considering that the major impediments to vaccina-  
16       tion efforts include the following:

17                         (A) The difficulty in meeting the technical  
18        specifications of production and appropriately  
19       ensuring that finished vaccines are high-quality,  
20       safe, and effective.

21                         (B) The scarcity of raw materials for the  
22       vaccines.

23                         (C) Last-mile distribution and cold-chain  
24       storage.

(D) Trade barriers to the free flow of inputs and finished products.

(15) The Government of the People's Republic of China and the Government of the Russian Federation are engaged in large scale industrial espionage and technology theft of intellectual property of United States persons. The Department of Justice has issued indictments in connection with attempts sponsored by the Government of the People's Republic of China to steal United States vaccine research with respect to COVID-19.

(16) The Government of the People's Republic of China and the Government of the Russian Federation are using their vaccines as part of diplomatic efforts that may be contrary to the national security interests of the United States. Vaccines for COVID-19 manufactured by persons in the People's Republic of China and the Russian Federation appear to be less efficacious than those manufactured by producers in the United States. The Academy of Military Science, the scientific arm of the military of the People's Republic of China, is sponsoring the principal effort by the People's Republic of China to develop its own mRNA vaccine.

1                         (17) At a hearing before the Committee on Fi-  
2                         nance of the Senate on May 12, 2021, the Trade  
3                         Representative would not commit either—

4                             (A) to ensure that any waiver of the  
5                         TRIPS Agreement would exclude the People's  
6                         Republic of China and the Russian Federation;

7                         or

8                             (B) to ensure that Congress has advance  
9                         access to the negotiating proposals of the  
10                         United States for any such waiver.

11                         (18) The innovative biopharmaceutical compa-  
12                         nies in the United States contribute more than  
13                         \$1,100,000,000,000 annually to the United States  
14                         economy, and employ more than 500,000 workers  
15                         making 1.4 times the average earnings in the United  
16                         States, including 153,000 workers who do not have  
17                         a college degree.

18                         (19) Waiving intellectual property protections,  
19                         particularly of the mRNA technology platform in  
20                         which the Defense Advanced Research Project Agen-  
21                         cy invested not less than \$250,000,000, raises seri-  
22                         ous economic and national security concerns.

23 **SEC. 3. SENSE OF CONGRESS.**

24                         It is the sense of Congress that—

1                   (1) the United States should continue to act as  
2                   a global leader to help contain and end the COVID–  
3                   19 pandemic at home and abroad;

4                   (2) innovators in the United States are already  
5                   heroes for their breakthrough work in developing  
6                   and producing COVID–19 vaccines;

7                   (3) it should be a priority of the global commu-  
8                   nity, with the assistance of the United States, to ef-  
9                   ficiently and quickly manufacture and distribute  
10                  COVID–19 vaccines around the world, and in par-  
11                  ticular to those countries that are most vulnerable;

12                  (4) current impediments to further vaccination  
13                  efforts are due to—

14                   (A) the technically difficult manufacturing  
15                  requirements for vaccines;

16                   (B) the need to appropriately ensure that  
17                  vaccines are high-quality, safe, and effective;

18                   (C) raw material constraints; and

19                   (D) difficulties in distribution;

20                  (5) intellectual property protections for  
21                  COVID–19 vaccines have not impeded vaccination  
22                  efforts for COVID–19;

23                  (6) intellectual property protections in fact help  
24                  ensure the safe and efficient manufacturing of  
25                  COVID–19 vaccines;

1                         (7) waiving intellectual property protections  
2                         could lead to the production of substandard, ineffect-  
3                         ive, and potentially unsafe COVID–19 vaccines;

4                         (8) the Trade Representative must consult with  
5                         Congress before taking a position on the current  
6                         TRIPS Agreement waiver proposal before the WTO  
7                         and any further proposals to waive or weaken intel-  
8                         lectual property obligations under the TRIPS Agree-  
9                         ment;

10                         (9) Congress and the people of the United  
11                         States are entitled to comprehensive expert analysis  
12                         regarding the implications of a waiver to the TRIPS  
13                         Agreement for jobs, economic growth, public health,  
14                         and national security in the United States; and

15                         (10) the United States must oppose any waiver  
16                         to intellectual property obligations under the TRIPS  
17                         Agreement for the response to the COVID–19 pan-  
18                         demic until those implications are fully analyzed.

19 **SEC. 4. DEFINITIONS.**

20                         In this Act:

21                         (1) APPROPRIATE CONGRESSIONAL COMMIT-  
22                         TEES.—The term “appropriate congressional com-  
23                         mittees” means the Committee on Finance of the  
24                         Senate and the Committee on Ways and Means of  
25                         the House of Representatives.

1                         (2) COMMISSION.—The term “Commission”  
2 means the United States International Trade Com-  
3 mission.

4                         (3) MINISTERIAL CHANGE.—The term “min-  
5 isterial change”, with respect to a trade agreement,  
6 means a change to address a clerical, typographical,  
7 or grammatical error and does not include any  
8 change that would change the intended rights or ob-  
9 ligations of a party to the trade agreement.

10                        (4) OFFICIAL ADVISOR.—The term “official ad-  
11 visor” means a person accredited by the Trade Rep-  
12 resentative on behalf of the President as an official  
13 adviser to the United States delegations to inter-  
14 national conferences, meetings, and negotiating ses-  
15 sions relating to international trade negotiations,  
16 and who may attend any portion of those negotia-  
17 tions.

18                        (5) COVID–19 PANDEMIC.—The term  
19 “COVID–19 pandemic” means the outbreak of novel  
20 coronavirus (COVID–19) that was declared by the  
21 World Health Organization on March 11, 2020, to  
22 be a pandemic.

23                        (6) STATE SPONSOR OF TERRORISM.—The term  
24 “state sponsor of terrorism” means a country the  
25 government of which the Secretary of State has de-

1       terminated is a government that has repeatedly pro-  
2       vided support for acts of international terrorism, for  
3       purposes of—

(B) section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371);

(C) section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)); or

11 (D) any other provision of law.

(10) TRIPS WAIVER.—The term “TRIPS waiver” means any waiver of an obligation imposed on

1 members of the World Trade Organization under the  
2 TRIPS Agreement.

3 (11) WORLD TRADE ORGANIZATION; WTO; WTO  
4 AGREEMENT.—The terms “World Trade Organiza-  
5 tion”, “WTO”, and “WTO Agreement” have the  
6 meanings given those terms in section 2 of the Uru-  
7 guay Round Agreements Act (19 U.S.C. 3501).

8 **SEC. 5. PROHIBITION ON COMPROMISING UNITED STATES**  
9 **TRADING RIGHTS TO CHINA AND RUSSIA.**

10 (a) PROHIBITION ON WITHDRAWAL, SUSPENSION, OR  
11 MODIFICATION.—

12 (1) IN GENERAL.—The President, and any offi-  
13 cial, employee, or agent of the United States, may  
14 not negotiate or conclude any withdrawal, suspen-  
15 sion, or modification to a trade agreement that ad-  
16 versely affects, nullifies, or impairs the rights of the  
17 United States or United States persons under a  
18 trade agreement with respect to the People’s Repub-  
19 lie of China or the Russian Federation.

20 (2) DISCIPLINE.—Any official, employee, or  
21 agent of the United States who violates subsection  
22 (a) shall be subject to appropriate discipline, as de-  
23 termined by the President, including suspension  
24 from duty without pay or removal from office.

1                             (3) REPORT ON VIOLATIONS.—Immediately fol-  
2 lowing any violation of subsection (a) by an official,  
3 employee, or agent of the United States, the Presi-  
4 dent shall submit to the appropriate congressional  
5 committees a report setting forth a statement re-  
6 garding the violation and a description of the actions  
7 taken with respect to the official, employee, or  
8 agent, as the case may be, including all relevant  
9 facts.

10                             (b) NO EFFECT OF AMENDMENT OR MODIFICATION  
11 TO AGREEMENT.—No amendment or other modification  
12 to a trade agreement, including a waiver of one or more  
13 provisions of the agreement, shall take effect with respect  
14 to the United States—

15                             (1) if the amendment or modification adversely  
16 affects, nullifies, or impairs the benefits to the  
17 United States under the agreement with respect to  
18 the People's Republic of China or the Russian Fed-  
19 eration, including with respect to intellectual prop-  
20 erty rights; or

21                             (2) if the President failed or refused to consult  
22 on the amendment or modification pursuant to sec-  
23 tions 6 and 7.

1 SEC. 6. LIMITATIONS AND ANALYSIS OF WAIVER OF OBLI-

2 GATIONS UNDER AGREEMENT ON TRADE-RE-

3 LATED ASPECTS OF INTELLECTUAL PROP-

4 ERTY RIGHTS WITH RESPECT TO ADDRESS-

5 ING THE COVID-19 PANDEMIC.

6 (a) TRIPS WAIVER.—A TRIPS waiver with respect  
7 to addressing the COVID–19 pandemic shall not take ef-  
8 fect with respect to the United States if—

18 (b) INTERAGENCY PUBLIC HEALTH REPORT—

1 Services, the Commissioner of the Food and Drug  
2 Administration, and the Director of the Centers for  
3 Disease Control and Prevention shall submit to Con-  
4 gress a report assessing—

5 (A) how the TRIPS waiver would impact,  
6 during the period beginning on the date of the  
7 enactment of this Act and ending on December  
8 31, 2022—

9 (i) access to vaccines in the United  
10 States;

11 (ii) access to vaccines globally;

12 (iii) global supply chains of COVID–  
13 19 vaccines and related technologies and  
14 the inputs needed to produce those vac-  
15 cines and related technologies;

16 (iv) the gross domestic product of the  
17 United States;

18 (v) exports and imports by the United  
19 States of COVID–19 vaccines and related  
20 technologies and the inputs needed to  
21 produce those vaccines and related tech-  
22 nologies;

23 (vi) manufacturing in the United  
24 States of COVID–19 vaccines and related  
25 technologies and the inputs needed to

1           produce those vaccines and related tech-  
2           nologies; and

3                         (vii) investment in vaccine production  
4                        in the United States and in research and  
5                        development for future vaccines;

6                 (B) what existing flexibilities within the  
7                TRIPS Agreement can be used to expedite vac-  
8                cine access during the one-year period begin-  
9                ning on the date of the enactment of this Act  
10              and how those flexibilities may be effectively  
11              used; and

12                 (C) other reasonably feasible alternatives  
13                to the TRIPS waiver that might expedite global  
14                vaccine production during that one-year period  
15                and the effectiveness of those alternatives rel-  
16                ative to a TRIPS waiver, including distribution  
17                from the United States or from other countries.

18                 (2) PUBLICATION OF REPORT.—The Secretary  
19                of Commerce shall publish the report required under  
20                paragraph (1) on a publicly available website of the  
21                Department of Commerce, which shall include a con-  
22                clusion of whether a TRIPS waiver with respect to  
23                addressing the COVID–19 pandemic will increase  
24                global vaccine access during the one-year period be-  
25                ginning on the date of the enactment of this Act.

## 1       (c) NATIONAL SECURITY INVESTIGATION.—

2               (1) IN GENERAL.—The Secretary of Defense  
3 shall conduct an investigation, in consultation with  
4 the Secretary of Commerce, the Secretary of Health  
5 and Human Services, and the Trade Representative,  
6 to determine the effects of a TRIPS waiver with re-  
7 spect to addressing the COVID–19 pandemic on the  
8 national security of the United States, in particular  
9 whether such a waiver that extends to mRNA tech-  
10 nology could contribute to future deployment of that  
11 technology by the People’s Republic of China, the  
12 Russian Federation, or countries designated as state  
13 sponsors of terrorism.

## 14               (2) REPORT.—

15               (A) IN GENERAL.—Before any official, em-  
16 ployee, or agent of the United States enters  
17 into negotiations concerning a TRIPS waiver  
18 with respect to addressing the COVID–19 pan-  
19 demic after the date of the enactment of this  
20 Act, and not later than 60 days after such date  
21 of enactment, the Secretary of Defense shall  
22 submit to the President and the appropriate  
23 congressional committees a report on the find-  
24 ings of the investigation under paragraph (1),  
25 including the recommendations of the Secretary

1           for action or inaction regarding the TRIPS  
2           waiver.

3           (B) ADVICE.—If the Secretary of Defense  
4           determines that a TRIPS waiver with respect to  
5           addressing the COVID–19 pandemic threatens  
6           to impair national security, the Secretary shall  
7           so advise the President and the appropriate  
8           congressional committees in the report required  
9           under subparagraph (A).

10 **SEC. 7. TRADE AGREEMENTS: SUSPENSIONS AND OTHER  
11           MODIFICATIONS, CONSULTATIONS, AND SUB-  
12           MISSION TO CONGRESS.**

13           (a) TRADE REPRESENTATIVE ENGAGEMENT WITH  
14           THE PUBLIC.—

15           (1) IN GENERAL.—Before entering into any ne-  
16           gotiation with a trading partner concerning a sus-  
17           pension of or modification to a trade agreement, in-  
18           cluding a waiver of obligations, the Trade Represent-  
19           ative shall publish in the Federal Register a notice  
20           identifying—

21                 (A) the objectives of the United States for  
22                 that negotiation;

23                 (B) the rationale for why the trade agree-  
24                 ment does not presently allow the United States  
25                 to meet those objectives; and

(C) the provision or provisions of the trade agreement that the United States proposes to suspend or modify.

10 (b) INITIAL EVALUATION BY THE COMMISSION.—

22 (B) a description of the inadequacies of the  
23 trade agreement, including by reference to spe-  
24 cific provisions that preclude the United States  
25 from meeting its objectives;

(C) a description of how the Trade Representative plans to remedy those inadequacies;

(D) evidence supporting those inadequacies; and

(E) a justification for why the suspension or modification would remedy those inadequacies.

8 (2) HEARING AND REPORT.—

15 (i) the existence and extent of the  
16 purported inadequacies in the trade agree-  
17 ment;

ports, aggregate employment and employment opportunities, production, employment, and competitive position of industries likely to be significantly affected by the suspension or modification, and the interests of consumers.

21 (D) CONFIDENTIAL REPORT.—If the Com-  
22 mission determines that certain aspects of a re-  
23 port required to be published under subpara-  
24 graph (A) must be kept confidential to protect  
25 proprietary data or to protect the interests of

the United States with respect to a potential  
negotiation, the Commission shall—

16 (c) CONGRESSIONAL CONSULTATION DURING THE  
17 COURSE OF NEGOTIATIONS.—

## 8 (2) CONSULTATION.—

1           and provide to those committees, including staff  
2           with appropriate security clearance, access to  
3           the text of any negotiating proposal or any  
4           other document presented by the United States  
5           that presents concepts or considerations for the  
6           negotiations not later than 5 business days be-  
7           fore tabling it in the negotiation.

8           (3) DESIGNATION OF ADVISORS.—The chair  
9           and ranking member of each of the appropriate con-  
10          gressional committees may each designate not more  
11          than 4 members of their committee and not more  
12          than 3 staffers as official advisors to negotiations  
13          described in paragraph (1).

14          (4) BRIEFING.—

15           (A) IN GENERAL.—The Trade Representa-  
16          tive shall brief the appropriate congressional  
17          committees before and after every session with  
18          respect to negotiations described in paragraph  
19          (1).

20           (B) TIMING OF FOLLOW-UP BRIEFING.—A  
21          briefing required under subparagraph (A) fol-  
22          lowing a negotiating session shall take place not  
23          later than 5 business days following the session.

24          (d) TIMING OF EXISTING REPORT.—Notwith-  
25          standing the timing requirements under section 135(e)(1)

1 of the Trade Act of 1974 (19 U.S.C. 2155(e)(1)), the re-  
2 port required under that section regarding any trade  
3 agreement entered into under subsection (a) or (b) of sec-  
4 tion 103 of the Bipartisan Congressional Trade Priorities  
5 and Accountability Act of 2015 (19 U.S.C. 4202) shall  
6 be provided to the President, Congress, and the Trade  
7 Representative not later than 30 days after the date on  
8 which the President notifies Congress of the intention of  
9 the President to enter into a suspension of or modification  
10 to the trade agreement.

11 (e) AUTHORITY FOR SUSPENSION OR MODIFICATION  
12 OF A TRADE AGREEMENT.—The President shall not enter  
13 into any suspension of or modification to a trade agree-  
14 ment, unless—

15 (1) the President has complied with all con-  
16 sultation requirements set forth in subsection (c);  
17 and

18 (2) an Act of Congress is enacted approving the  
19 suspension or modification or a joint resolution is  
20 adopted under subsection (f) approving the suspen-  
21 sion or modification.

22 (f) JOINT RESOLUTION.—

23 (1) IN GENERAL.—The President may seek a  
24 joint resolution from Congress granting the Presi-

1       dent authority to enter into a suspension of or modi-  
2       fication to a trade agreement as follows:

3                     (A) The President shall post the text con-  
4       cerning the relevant changes to the trade agree-  
5       ment on a publicly available website of the Of-  
6       fice of the United States Trade Representative  
7       for not less than 5 business days.

8                     (B) The President shall submit the text  
9       concerning the relevant changes to the trade  
10      agreement to the Commission, which shall pub-  
11      lish on a publicly available website of the Com-  
12      mission a report on how the changes to the  
13      trade agreement will impact employment, eco-  
14      nomic growth, and consumers in the United  
15      States. The Commission shall publish that re-  
16      port not earlier than 30 days and not later than  
17      120 days after receiving from the President the  
18      text concerning the relevant changes to the  
19      trade agreement.

20                     (C) The President shall submit to Con-  
21      gress on a day on which both Houses of Con-  
22      gress are in session a copy of the final legal  
23      text with respect to which the President seeks  
24      authority to commit the United States, together  
25      with—



1 wise obtain information in order to fully review the  
2 proposed suspension of or modification to a trade  
3 agreement.

4 (5) DISCHARGE.—If the committee of either  
5 House to which a joint resolution introduced under  
6 paragraph (2) has been referred has not reported it  
7 by the close of the 40th day after its introduction  
8 (excluding any day described in section 154(b) of the  
9 Trade Act of 1974 (19 U.S.C. 2194(b))), that com-  
10 mittee shall be automatically discharged from fur-  
11 ther consideration of the joint resolution and it shall  
12 be placed on the appropriate calendar.

13 (6) CONSIDERATION.—

14 (A) IN GENERAL.—It is not in order for—  
15 (i) the Senate to consider any joint  
16 resolution introduced under paragraph (2)  
17 unless it has been reported by the Com-  
18 mittee on Finance or the committee has  
19 been discharged under paragraph (5); or  
20 (ii) the House of Representatives to  
21 consider any joint resolution introduced  
22 under paragraph (2) unless it has been re-  
23 ported by the Committee on Ways and  
24 Means or the committee has been dis-  
25 charged under paragraph (5).



1       (g) APPLICATION TO MINISTERIAL CHANGES.—This  
2 section shall not apply with respect to any ministerial  
3 changes to a trade agreement.

