Agriculture & Natural Resources Committee

SJM 8043

Brief Description: Requesting the elimination of preferences given to asparagus under the Andean Trade Preference Act.

Sponsors: Senators Rasmussen, Brown, Shin and Spanel.

Brief Summary of Bill

• Requests the Congress to eliminate the preference given to asparagus imports under the Andean Trade Preference Act.

Hearing Date: 2/24/04

Staff: Kenneth Hirst (786-7105).

Background:

According to a report of the Office of the United States Trade Representative, the Andean Trade Preference Act (Act) is designed to assist Bolivia, Colombia, Ecuador, and Peru in fighting drug production and trafficking. It is to do so by expanding the economic alternatives available within those countries by providing a reduction in duty or duty-free importation of most of their exports to the United States. (*First Report to the Congress on the Operation of the Andean Trade Preference Act as Amended [First Report]*, Office of the United States Trade Representative, April 30, 2003; page 5.) Under the Act, U. S. imports from Peru actually declined from 2001 to 2002 to a total of \$382 million. However, U.S. imports of fresh asparagus from Peru went against this trend during the same period, increasing by 20% to \$50 million in 2002. (*First Report*, pages 11 and 12.)

Summary of Bill:

The Congress is requested to eliminate immediately the preference given to asparagus and asparagus products under the Andean Trade Preference Act and to refuse to extend any further protection to Andean asparagus producers when the Act expires.

Appropriation: None.

Fiscal Note: Not requested.